

## CITIZEN SERVICE ACT OF 2002

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JUNE 20, 2002.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

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Mr. BOEHNER, from the Committee on Education and the Workforce, submitted the following

### R E P O R T

together with

### ADDITIONAL VIEWS

[To accompany H.R. 4854]

[Including cost estimate of the Congressional Budget Office]

The Committee on Education and the Workforce, to whom was referred the bill (H.R. 4854) to reauthorize and reform the national service laws, having considered the same, report favorably thereon with an amendment and recommend that the bill as amended do pass.

The amendment is as follows:

Strike all after the enacting clause and insert the following:

#### SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the “Citizen Service Act of 2002”.

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.

#### TITLE I—AMENDMENTS TO THE NATIONAL AND COMMUNITY SERVICE ACT OF 1990

Sec. 1001. References.

##### Subtitle A—Amendments to Subtitle A (General Provisions)

Sec. 1101. Purposes of Act.

Sec. 1102. Definitions.

##### Subtitle B—Amendments to Subtitle B (Service-Learning)

Sec. 1201. School-based allotments.

Sec. 1202. Higher education provisions.

Sec. 1203. Community-based programs, training, and other initiatives.

Sec. 1204. Service-learning clearinghouse.

##### Subtitle C—Amendments to Subtitle C (National Service Trust Program)

Sec. 1301. Prohibition on grants to Federal agencies; limits on Corporation costs.

Sec. 1302. E-Corps and technical amendments to types of programs.

Sec. 1303. Types of positions.

Sec. 1304. Training and technical assistance.  
 Sec. 1305. Assistance to State Commissions; Challenge grants.  
 Sec. 1306. Allocation of assistance to States and other eligible entities.  
 Sec. 1307. Additional authority.  
 Sec. 1308. State selection of programs.  
 Sec. 1309. Consideration of applications.  
 Sec. 1310. Description of participants.  
 Sec. 1311. Reference to Federal agency.  
 Sec. 1312. Terms of service.  
 Sec. 1313. Adjustments to living allowance.

Subtitle D—Amendments to Subtitle D (National Service Trust and Provision of National Service Educational Awards)

Sec. 1401. Availability of funds in the National Service Trust.  
 Sec. 1402. Individuals eligible to receive a National Service Educational Award from the Trust.  
 Sec. 1403. Determination of the amount of National Service Educational Awards.  
 Sec. 1404. Disbursement of National Service Educational Awards.  
 Sec. 1405. Additional uses of National Service Trust amounts.

Subtitle E—Amendments to Subtitle E (National Civilian Community Corps)

Sec. 1501. Purpose.  
 Sec. 1502. Program components.  
 Sec. 1503. Eligible participants.  
 Sec. 1504. Summer national service program.  
 Sec. 1505. Team leaders.  
 Sec. 1506. Consultation with State Commissions.  
 Sec. 1507. Permanent cadre.  
 Sec. 1508. Contract and grant authority.  
 Sec. 1509. Other departments.  
 Sec. 1510. Repeal of authority for advisory board and funding limitation.  
 Sec. 1511. Definitions.  
 Sec. 1512. Emergency response corps.  
 Sec. 1513. Terminology.

Subtitle F—Amendments to Subtitle F (Administrative Provisions)

Sec. 1601. Family and medical leave.  
 Sec. 1602. Additional prohibitions on use of funds.  
 Sec. 1603. Notice, hearing, and grievance procedures.  
 Sec. 1604. Resolution of displacement complaints.  
 Sec. 1605. State commissions on national and community service.  
 Sec. 1606. Evaluation and accountability.  
 Sec. 1607. Technical amendment.  
 Sec. 1608. Additional administrative provisions.

Subtitle G—Amendments to Subtitle G (Corporation for National and Community Service)

Sec. 1701. Terms of office.  
 Sec. 1702. Board of Directors authorities and duties.  
 Sec. 1703. Peer reviewers.  
 Sec. 1704. Non-voting members; Personal services contracts.  
 Sec. 1705. Donated services.

Subtitle H—Amendments to Subtitle H

Sec. 1801. Technical amendments to subtitle H.  
 Sec. 1802. Repeal of special demonstration project.

Subtitle I—Additional Authorities

Sec. 1901. Senior service scholarships.  
 Sec. 1902. America's Promise: The Alliance for Youth.

Subtitle J—Title III (Points of Light Foundation)

Sec. 1911. Purpose.  
 Sec. 1912. Board of Directors.  
 Sec. 1913. Grants to the Foundation.

Subtitle K—Amendments to Title V (Authorization of Appropriations)

Sec. 1921. Authorization of appropriations.

TITLE II—AMENDMENTS TO THE DOMESTIC VOLUNTEER SERVICE ACT OF 1973

Sec. 2001. References.

Subtitle A—Amendments to Title I (National Volunteer Antipoverty Programs)

Sec. 2101. Purpose.  
 Sec. 2102. Purpose of the VISTA program.  
 Sec. 2103. Applications.  
 Sec. 2104. Terms and periods of service.  
 Sec. 2105. Sections repealed.  
 Sec. 2106. University Year for VISTA program.  
 Sec. 2107. Conforming amendment.

Subtitle B—Amendments to Title II (National Senior Volunteer Corps)

Sec. 2201. Change in name.  
 Sec. 2202. Purpose.  
 Sec. 2203. Grants and contracts for volunteer service projects.  
 Sec. 2204. Foster Grandparent Program grants.  
 Sec. 2205. Senior Companion Program grants.

Sec. 2206. Technical amendments.  
 Sec. 2207. Programs of national significance.  
 Sec. 2208. Additional provisions.

Subtitle C—Amendments to Title IV (Administration and Coordination)

Sec. 2301. Nondisplacement.  
 Sec. 2302. Definitions.  
 Sec. 2303. Protection against improper use.  
 Sec. 2304. Income verification.  
 Sec. 2305. Sections repealed.

Subtitle D—Amendments to Title V (Authorization of Appropriations)

Sec. 2401. Authorization of appropriations for VISTA and other purposes.  
 Sec. 2402. Authorization of appropriations for National Senior Service Corps.  
 Sec. 2403. Administration and coordination.

TITLE III—AMENDMENTS TO OTHER LAWS

Sec. 3101. Technical Amendment to Inspector General Act.

TITLE IV—TECHNICAL AMENDMENTS TO TABLES OF CONTENTS

Sec. 4101. Amendments to the National and Community Service Act of 1990 table of contents.  
 Sec. 4102. Amendments to the Domestic Volunteer Service Act of 1973 table of contents.

TITLE V—EFFECTIVE DATE AND SENSE OF CONGRESS

Sec. 5101. Effective date.  
 Sec. 5102. Service assignments and agreements.  
 Sec. 5103. Sense of Congress.  
 Sec. 5104. Recruitment and application materials in languages other than English.

## TITLE I—AMENDMENTS TO NATIONAL AND COMMUNITY SERVICE ACT OF 1990

### SEC. 1001. REFERENCES.

Except as otherwise specifically provided, whenever in this title an amendment or repeal is expressed in terms of an amendment to, or repeal of, a provision, the reference shall be considered to be made to a provision of the National and Community Service Act of 1990 (42 U.S.C. 12501 et seq.).

## Subtitle A—Amendments to Subtitle A (General Provisions)

### SEC. 1101. PURPOSES OF ACT.

Section 2(b) (42 U.S.C. 12501(b)) is amended—

- (1) in paragraph (7), by striking “citizens; and” and inserting “citizens;”;
- (2) in paragraph (8), by striking the period and inserting a semicolon; and
- (3) by adding at the end the following:
 

“(9) expand and strengthen service-learning programs to improve the education of children and youth and to maximize the benefits of national and community service, in order to renew the ethic of civic responsibility and the spirit of community throughout the United States;

“(10) support efforts to make the nonprofit sector more effective in meeting the unmet human, educational, environmental, and public safety needs of the United States; and

“(11) assist in coordinating and strengthening Federal and other citizen service opportunities, including opportunities for participation in homeland security preparedness and response, including training for limited duration national service as law enforcement officers, firefighters and rescue personnel, search and rescue personnel, emergency medical service workers, and disaster services workers, other areas of public and social service, and international service.”.

### SEC. 1102. DEFINITIONS.

Section 101 (42 U.S.C. 12511) is amended—

- (1) in paragraph (5), by striking “church or other”;
- (2) in paragraph (13), by striking “section 101(a) of the Higher Education Act of 1965” and inserting “sections 101(a) and 102(a)(1) of the Higher Education Act of 1965”;
- (3) in paragraph (17)(B), by striking “program in which the participant is enrolled” and inserting “organization receiving assistance under the national service laws through which the participant is enrolled in an approved national service position”; and

(4) in paragraph (21)(B)—

(A) by striking “section 602(a)(1)” and inserting “section 602(3)”; and

(B) by striking “20 U.S.C. 1401(a)(1)” and inserting “20 U.S.C. 1401(3)”.

## **Subtitle B—Amendments to Subtitle B (Service-Learning)**

### **SEC. 1201. SCHOOL-BASED ALLOTMENTS.**

Part I of subtitle B of title I (42 U.S.C. 12521 et seq.) is amended to read as follows:

### **“PART I—PROGRAMS FOR ELEMENTARY AND SECONDARY STUDENTS**

#### **“SEC. 111. ASSISTANCE TO STATES AND INDIAN TRIBES.**

“(a) ALLOTMENTS TO STATES, TERRITORIES, AND INDIAN TRIBES.—The Corporation, in consultation with the Secretary of Education, may make allotments to State educational agencies, United States territories, and Indian tribes to pay for the Federal share of—

“(1) planning and building the capacity within the State to implement service-learning programs that are based principally in elementary and secondary schools, including—

“(A) providing training for teachers, supervisors, personnel from community-based agencies (particularly with regard to the utilization of participants), and trainers, to be conducted by qualified individuals or organizations that have experience with service-learning;

“(B) developing service-learning curricula, consistent with State or local student academic achievement standards, to be integrated into academic programs, including an age-appropriate learning component that provides participants an opportunity to analyze and apply their service experiences;

“(C) forming local partnerships described in paragraph (2) or (4) to develop school-based service-learning programs in accordance with this part;

“(D) devising appropriate methods for research and evaluation of the educational value of service-learning and the effect of service-learning activities on communities; and

“(E) establishing effective outreach and dissemination of information to ensure the broadest possible involvement of community-based agencies with demonstrated effectiveness in working with school-age youth in their communities;

“(2) implementing, operating, or expanding school-based service-learning programs, which may include paying for the cost of the recruitment, training, supervision, placement, salaries, and benefits of service-learning coordinators, through distribution of Federal funds by State educational agencies made available under this part to projects operated by local partnerships among—

“(A) local educational agencies; and

“(B) 1 or more community partners that—

“(i) shall include a public or private nonprofit organization that—

“(I) has a demonstrated expertise in the provision of services to meet unmet human, education, environmental, or public safety needs; and

“(II) will make projects available for participants, who shall be students; and

“(ii) may include a private for-profit business or private elementary or secondary school;

“(3) planning of school-based service-learning programs, through distribution by State educational agencies of Federal funds made available under this part to local educational agencies, which planning may include paying for the cost of—

“(A) the salaries and benefits of service-learning coordinators; or

“(B) the recruitment, training, supervision, and placement of service-learning coordinators who may be participants in a program under subtitle C or receive a national service educational award under subtitle D,

who will identify the community partners described in paragraph (2)(B) and assist in the design and implementation of a program described in paragraph (2); or

“(4) implementing, operating, or expanding school-based service-learning programs to utilize service-learning to improve the education of students, through distribution by State educational agencies of Federal funds made available under this part to—

- “(A) local educational agencies;
- “(B) public or private nonprofit organizations;
- “(C) other educational agencies; or
- “(D) partnerships or combinations of local educational agencies and entities described in subparagraphs (B) and (C).

“(b) DUTIES OF SERVICE-LEARNING COORDINATOR.—A service-learning coordinator referred to in paragraph (2) or (3) of subsection (a) shall provide services that may include—

- “(1) providing technical assistance and information to, and facilitating the training of, teachers who want to use service-learning in their classrooms;
- “(2) assisting local partnerships described in subsection (a) in the planning, development, and execution of service-learning projects; and
- “(3) carrying out such other duties as the recipient of assistance under this part may determine to be appropriate.

“(c) RELATED EXPENSES.—An entity that receives financial assistance under this part may, in carrying out the activities described in subsection (a), use such assistance to pay for the Federal share of reasonable costs related to the supervision of participants, program administration, transportation, insurance, and evaluations and for other reasonable expenses related to the activities.

**“SEC. 112. ALLOTMENTS.**

“(a) INDIAN TRIBES AND TERRITORIES.—Of the amounts appropriated to carry out this part for any fiscal year, the Corporation shall reserve an amount of not more than 3 percent for payments to Indian tribes, the United States Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands, to be allotted in accordance with their respective needs.

“(b) ALLOTMENTS THROUGH STATES.—After reserving amounts under subsection (a), the Corporation shall use the remainder of the funds appropriated to carry out this part for any fiscal year as follows:

“(1) ALLOTMENTS.—

“(A) SCHOOL-AGE YOUTH.—From 50 percent of such remainder, the Corporation shall allot to each State an amount that bears the same ratio to 50 percent of such remainder as the number of school-age youth in the State bears to the total number of school-age youth of all States.

“(B) ALLOCATION UNDER ELEMENTARY AND SECONDARY EDUCATION ACT OF 1965.—From 50 percent of such remainder, the Corporation shall allot to each State an amount that bears the same ratio to 50 percent of such remainder as the allocation to the State for the previous fiscal year under title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 2711 et seq.) or its successor authority bears to such allocations to all States.

“(2) DEFINITION.—Notwithstanding section 101(26), for purposes of this subsection, the term ‘State’ means each of the several States, the District of Columbia, and the Commonwealth of Puerto Rico.

“(c) REALLOTMENT.—If the Corporation determines that the allotment of a State or Indian tribe under this section will not be required for a fiscal year because the State or Indian tribe does not submit an application for the allotment under section 113 that meets the requirements of such section and such other requirements as the Chief Executive Officer may determine to be appropriate, the Corporation shall make any remainder of such allotment available for reallocation to such other States and Indian tribes, with approved applications submitted under section 113, as the Corporation may determine to be appropriate.

**“SEC. 113. APPLICATIONS.**

“An application for an allotment under this part shall include—

“(1) a proposal for a 3-year plan promoting service-learning, which shall contain such information as the Chief Executive Officer may reasonably require, including how the applicant will integrate service opportunities into the academic program of the participants;

“(2) information, when applicable, about the applicant’s efforts to—

“(A) include any opportunities for students enrolled in schools or other programs of education providing elementary or secondary education under State law to participate in service-learning programs and ensure that such service-learning programs include opportunities for such students to serve together;

“(B) involve participants in the design and operation of the program;

“(C) promote service-learning in areas of greatest need, including low-income areas;

“(D) ensure that students of different ages, races, sexes, ethnic groups, disabilities, and economic backgrounds have opportunities to serve together; and

“(E) otherwise integrate service opportunities into the academic program of the participants; and

“(3) assurances that the applicant will comply with the nonduplication and nondisplacement requirements of section 177 and the grievance procedures required by section 176.

**“SEC. 114. CONSIDERATION OF APPLICATIONS.**

“In considering applications under this part, the Corporation shall use criteria that include those approved by the Board of Directors.

**“SEC. 115. FEDERAL, STATE, AND LOCAL CONTRIBUTIONS.**

“(a) **FEDERAL SHARE.**—

“(1) **IN GENERAL.**—The Federal share of the cost of carrying out a program for which a grant is made under this part may not exceed 50 percent of the total cost of the program.

“(2) **NON-FEDERAL CONTRIBUTION.**—In providing for the remaining share of the cost of carrying out such a program, each recipient of a grant under this part—

“(A) shall provide for such share through a payment in cash or in kind, fairly evaluated, including facilities, equipment, or services; and

“(B) may provide for such share through State sources or local sources.

“(b) **WAIVER.**—The Chief Executive Officer may waive the requirements of subsection (a) in whole or in part with respect to any such program in any fiscal year if the Corporation determines that such a waiver would be equitable due to a lack of available financial resources at the local level.

**“SEC. 116. LIMITATIONS ON USES OF FUNDS.**

“Not more than 5 percent of the amount of assistance received by an applicant in a fiscal year may be used to pay for administrative costs, in accordance with such standards as the Corporation may issue.”.

**SEC. 1202. HIGHER EDUCATION PROVISIONS.**

Section 119 (42 U.S.C. 12561) is amended by striking subsections (c) through (g) and inserting the following:

“(c) **SPECIAL CONSIDERATION.**—To the extent practicable, the Corporation shall give special consideration to applications submitted by Historically Black Colleges and Universities, Hispanic-serving institutions, and Tribal Colleges and Universities.

“(d) **FEDERAL, STATE, AND LOCAL CONTRIBUTIONS.**—

“(1) **FEDERAL SHARE.**—

“(A) **IN GENERAL.**—The Federal share of the cost of carrying out a program for which a grant is made under this part may not exceed 50 percent of the total cost of the program.

“(B) **NON-FEDERAL CONTRIBUTION.**—In providing for the remaining share of the cost of carrying out such a program, each recipient of a grant under this part—

“(i) shall provide for such share through a payment in cash or in kind, fairly evaluated, including facilities, equipment, or services; and

“(ii) may provide for such share through State sources or local sources.

“(2) **WAIVER.**—The Chief Executive Officer may waive the requirements of subsection (a) in whole or in part with respect to any such program in any fiscal year if the Corporation determines that such a waiver would be equitable due to a lack of available financial resources at the local level.

“(e) **APPLICATION FOR GRANT.**—

“(1) **SUBMISSION.**—To receive a grant or enter into a contract under this part, an applicant shall prepare, submit to the Corporation, and obtain approval of, an application at such time, in such manner, and containing such information and assurances as the Corporation may reasonably require. In requesting applications for assistance under this part, the Corporation shall specify such required information and assurances.

“(2) **CONTENTS.**—An application submitted under paragraph (1) shall contain, at a minimum—

“(A) assurances that—

“(i) prior to the placement of a participant, the applicant will consult with the appropriate local labor organization, if any, representing em-

employees in the area who are engaged in the same or similar work as that proposed to be carried out by such program, to prevent the displacement and protect the rights of such employees; and

“(ii) the applicant will comply with the nonduplication and non-displacement provisions of section 177 and the grievance procedures required by section 176; and

“(B) such other assurances as the Chief Executive Officer may reasonably require.

“(f) PRIORITY.—In making grants and entering into contracts under subsection (b), the Corporation shall give priority to applicants that submit applications containing proposals that—

“(1) demonstrate the commitment of the institution of higher education, other than by demonstrating the commitment of the students, to supporting the community service projects carried out under the program;

“(2) specify the manner in which the institution will promote faculty, administration, and staff participation in the community service projects;

“(3) specify the manner in which the institution will provide service to the community through organized programs, including, where appropriate, clinical programs for students in professional schools;

“(4) describe any partnership that will participate in the community service projects, such as a partnership comprised of—

“(A) the institution;

“(B)(i) a community-based agency;

“(ii) a local government agency; or

“(iii) a non-profit entity that serves or involves school-age youth or older adults; and

“(C) a student organization;

“(5) demonstrate community involvement in the development of the proposal;

“(6) describe research designed to identify best practices and other methods to improve service-learning;

“(7) specify that the institution will use such assistance to strengthen the service infrastructure in institutions of higher education; or

“(8) with respect to projects involving delivery of services, specify projects that involve leadership development of school aged youth.

“(g) DEFINITION.—Notwithstanding section 101(29), as used in this part, the term ‘student’ means an individual who is enrolled in an institution of higher education on a full- or part-time basis.

“(h) FEDERAL WORK-STUDY.—To be eligible for assistance under this part, an institution of higher education must demonstrate that it meets the minimum requirements under section 443(b)(2)(B) of the Higher Education Act of 1965 (42 U.S.C. 2753(b)(2)(B)) relating to the participation of Federal Work-Study students in community service activities, or has received a waiver of those requirements from the Secretary of Education.”.

#### SEC. 1203. COMMUNITY-BASED PROGRAMS, TRAINING, AND OTHER INITIATIVES.

Subtitle B of title I (42 U.S.C. 12521 et seq.) is amended by adding after part II the following new part:

### **“PART III—COMMUNITY-BASED PROGRAMS, TRAINING, AND OTHER INITIATIVES**

#### **“SEC. 120. COMMUNITY-BASED PROGRAMS, TRAINING, AND OTHER INITIATIVES.**

“(a) METHODS OF SUPPORTING ACTIVITIES.—From the funds appropriated to carry out this part for a fiscal year, the Corporation may make grants to, or enter into contracts or cooperative agreements with, eligible entities.

“(b) ELIGIBLE ENTITIES.—Eligible entities under this part are public or private nonprofit organizations, State education agencies, State commissions on national and community service, institutions of higher education, and consortia of such entities.

“(c) AUTHORIZED ACTIVITIES.—Funds appropriated to carry out this part may be used to—

“(1) conduct community-based programs that provide for meaningful human, educational, environmental, or public safety service by school-age participants;

“(2) provide training or technical assistance to support service-learning;

“(3) involve students in emergency preparedness and homeland security activities;

“(4) promote the recognition of students who perform outstanding community service and schools that have implemented outstanding service-learning programs; and

“(5) carry out demonstration programs, research, and evaluation related to service-learning.

“(d) LIMITATION ON FEDERAL SHARE OF COMMUNITY-BASED PROGRAM COSTS.—

“(1) IN GENERAL.—Except as provided in paragraph (4), the Federal share of the cost of carrying out a program for which a grant is made under this part may not exceed 50 percent of the total cost of the program.

“(2) NON-FEDERAL CONTRIBUTION.—In providing for the remaining share of the cost of carrying out such a program, each recipient of assistance under this part—

“(A) shall provide for such share through a payment in cash or in kind, fairly evaluated, including facilities, equipment, or services; and

“(B) may provide for such share through State sources or local sources.

“(3) WAIVER.—The Chief Executive Officer may waive the requirements of paragraph (1) in whole or in part with respect to any such program in any fiscal year if the Corporation determines that such a waiver would be equitable due to a lack of available financial resources at the local level.

“(4) EXEMPTION.—The requirements in paragraph (1) shall not apply to entities that receive a grant or enter into a cooperative agreement or contract to provide training or technical assistance, recognition, demonstration, research, or evaluation under this part.”

#### SEC. 1204. SERVICE-LEARNING CLEARINGHOUSE.

Subtitle B of title I (42 U.S.C. 12521 et seq.) is amended—

(1) in part I, by striking subpart C; and

(2) by adding after part III (as added by section 1203) the following new part:

### “PART IV—CLEARINGHOUSE

#### “SEC. 120A. SERVICE-LEARNING CLEARINGHOUSE.

“(a) IN GENERAL.—The Corporation shall provide financial assistance, from funds appropriated to carry out subtitle H, to organizations described in subsection (b) to establish a clearinghouse, which shall carry out activities, either directly or by arrangement with another such organization, with respect to information about service-learning.

“(b) PUBLIC OR PRIVATE NONPROFIT ORGANIZATIONS.—Public or private nonprofit organizations that have extensive experience with service-learning, including use of adult volunteers to foster service-learning, shall be eligible to receive assistance under subsection (a).

“(c) FUNCTION OF CLEARINGHOUSE.—An organization that receives assistance under subsection (a) may—

“(1) assist entities carrying out State or local service-learning programs with needs assessments and planning;

“(2) conduct research and evaluations concerning service-learning;

“(3)(A) provide leadership development and training to State and local service-learning program administrators, supervisors, service sponsors, and participants; and

“(B) provide training to persons who can provide the leadership development and training described in subparagraph (A);

“(4) facilitate communication among entities carrying out service-learning programs and participants in such programs;

“(5) provide information, curriculum materials, and technical assistance relating to planning and operation of service-learning programs, to States and local entities eligible to receive financial assistance under this title;

“(6) provide information regarding methods to make service-learning programs accessible to individuals with disabilities;

“(7)(A) gather and disseminate information on successful service-learning programs, components of such successful programs, innovative youth skills curricula related to service-learning, and service-learning projects; and

“(B) coordinate the activities of the Clearinghouse with appropriate entities to avoid duplication of effort;

“(8) make recommendations to State and local entities on quality controls to improve the quality of service-learning programs;

“(9) assist organizations in recruiting, screening, and placing service-learning coordinators; and



“(10) carry out such other activities as the Chief Executive Officer determines to be appropriate.”.

## **Subtitle C—Amendments to Subtitle C (National Service Trust Program)**

### **SEC. 1301. PROHIBITION ON GRANTS TO FEDERAL AGENCIES; LIMITS ON CORPORATION COSTS.**

Section 121 (42 U.S.C. 12571) is amended—

(1) in subsection (b)—

(A) in the heading, by inserting “RESTRICTIONS ON” before “AGREEMENTS WITH FEDERAL AGENCIES”;

(B) in paragraph (1)—

(i) in the first sentence by striking “by the agency.” and inserting “by the agency, including programs under the Public Lands Corps and Urban Youth Corps as described in section 122(a)(2).”; and

(ii) by striking the second sentence;

(C) by striking paragraph (2) and inserting the following:

“(2) PROHIBITION ON GRANTS.—The Corporation may not provide a grant under this section to a Federal agency.”; and

(D) in paragraph (3)—

(i) by striking “receiving assistance under this subsection” and inserting “operating a national service program”; and

(ii) by striking “using such assistance”;

(2) in subsection (c)—

(A) in the matter preceding paragraph (1), by striking “assistance under subsections (a) and (b)” and inserting “assistance under subsection (a), or in conjunction with approving member-based national service positions under section 129A”;

(B) in paragraph (1), by striking “carried out using such assistance” and inserting “carried out using such assistance or in national service positions approved under section 129A”; and

(C) in paragraph (2)(B), by striking “to be provided” and inserting “to be provided or otherwise approved”; and

(3) in subsection (d)—

(A) in paragraph (1), by striking “or (b)”; and

(B) in paragraph (2)(A), by striking “or (b)”.

### **SEC. 1302. E-CORPS AND TECHNICAL AMENDMENTS TO TYPES OF PROGRAMS.**

Section 122 (42 U.S.C. 12572) is amended—

(1) in subsection (a)—

(A) in the matter preceding paragraph (1), by striking “and each Federal agency receiving assistance under section 121(b)”;

(B) in paragraph (9), by striking “between the ages of 16 and 24” and inserting “between the ages of 16 and 25”;

(C) by redesignating paragraph (15) as paragraph (18); and

(D) by inserting after paragraph (14) the following:

“(15) An E-Corps program that involves participants who provide service in a community by developing and assisting in carrying out technology programs.

“(16) A program that engages citizens in public safety, public health, and disaster relief and preparedness, and may include the recruitment and placing of qualified participants in positions to be trainees as law enforcement officers, firefighters and rescue personnel, search and rescue personnel, emergency medical service workers, and/or disaster services workers.

“(17) A program, initiative, or partnership that seeks to expand the number of young people with mentors, either through provision of direct mentoring services or through activities that build the capacity of mentoring organizations to serve more young people.”;

(2) in subsection (c)(1)(A), by striking “subsection (b) or (d) of”; and

(3) by adding at the end the following:

“(d) HIGH SCHOOL DEGREE REQUIRED FOR TUTORS.—The Corporation shall require that recipients of assistance under the national service laws to operate tutoring programs involving elementary or secondary school students shall certify that individuals serving in approved national service positions as tutors in such programs have obtained their high school diploma or its equivalent, or are enrolled in a program leading to their obtaining a high school diploma.

“(e) LITERACY PROGRAMS.—

“(1) PROGRAMS.—Literacy programs that receive assistance under the national service laws shall be based on scientifically based reading research and provide instruction based on the essential components of reading instruction as defined in section 1208 of the ‘No Child Left behind Act of 2001’ (Public Law 107–110).

“(2) TRAINING REQUIRED FOR READING TUTORS.—The Corporation shall require that recipients of assistance under the national service laws to operate tutoring in reading programs shall, in providing training to participants serving in approved national service positions as tutors, incorporate the recommendations of the National Reading Panel and research from the National Institute of Child Health and Human Development under the auspices of the National Institutes of Health.

“(f) CITIZENSHIP TRAINING.—The Corporation shall establish requirements for recipients of assistance under the national service laws relating to the promotion of citizenship and civic engagement, that are consistent with the principles on which citizenship programs administered by the Immigration and Naturalization Service are based, among individuals enrolled in approved national service positions.

“(g) OATH.—Any oath given under the national service laws shall be consistent with the principles in the Federal oath of office as provided in section 3331 of title 5, United States Code.”.

#### SEC. 1303. TYPES OF POSITIONS.

Section 123 (42 U.S.C. 12573) is amended—

- (1) in paragraph (1), by striking “subsection (a) or (b) of section 121” and inserting “section 121(a)”; and
- (2) in paragraph (2)(A), by striking “, or a Federal agency”; and
- (3) in paragraph (5), by inserting “National” before “Civilian Community Corps”.

#### SEC. 1304. TRAINING AND TECHNICAL ASSISTANCE.

Section 125 (42 U.S.C. 12575) is amended—

- (1) in subsection (a)(1), by striking “national service programs assisted under section 121” and inserting “programs assisted under the national service laws”; and
- (2) in subsection (b), in the matter preceding paragraph (1), by striking “described in section 121” and inserting “assisted under the national service laws”; and
- (3) in subsection (b)(2), by striking “provided under such section” and inserting “provided under the national service laws”; and
- (4) by adding at the end the following new subsection:
 

“(c) UNDERSERVED AREAS AND POPULATIONS.—In complying with the requirements of this section, the Corporation shall ensure that the training and technical assistance needs of programs which focus on and provide service opportunities for underserved rural and urban areas and populations are addressed.”.

#### SEC. 1305. ASSISTANCE TO STATE COMMISSIONS; CHALLENGE GRANTS.

Section 126 (42 U.S.C. 12576) is amended—

- (1) in subsection (a)—
  - (A) in paragraph (1), by striking “\$125,000 and \$750,000” and inserting “\$200,000 and \$1,000,000”; and
  - (B) by striking paragraph (2) and inserting the following:
 

“(2) MATCHING REQUIREMENT.—In making grants to a State under this subsection, the Corporation shall require the State to provide matching funds in the following amounts:

    - “(A) FIRST \$100,000.—For the first \$100,000 of grant amounts provided by the Corporation, a State shall not be required to provide matching funds.
    - “(B) AMOUNTS GREATER THAN \$100,000.—For grant amounts of more than \$100,000 and not exceeding \$200,000 provided by the Corporation, a State shall provide \$1 from non-Federal sources for every \$2 provided by the Corporation.
    - “(C) AMOUNTS GREATER THAN \$200,000.—For grant amounts of more than \$200,000 provided by the Corporation, a State shall provide \$1 from non-Federal sources for every \$1 provided by the Corporation.”; and
- (2) in subsection (c)—
  - (A) in paragraph (1), by striking “to national service programs that receive assistance under section 121” and inserting “to programs supported under the national service laws that expand service and volunteering by increasing and strengthening the capacity of community-based organizations, including through the use of regional organizations that facilitate the involvement of small community groups, or by promoting high-quality teaching programs serving low-income students”; and
  - (B) by striking paragraph (3) and inserting the following:

“(3) AMOUNT OF ASSISTANCE.—A challenge grant under this subsection may provide, for an initial 3-year grant period, not more than \$1 of assistance under this subsection for each \$1 in cash raised from private sources by the program supported under the national service laws in excess of amounts required to be provided by the program to satisfy matching funds requirements. After an initial 3-year grant period, grants under this subsection may provide not more than \$1 of assistance for each \$2 in cash raised from private sources by the program in excess of amounts required to be provided by the program to satisfy matching funds requirements. The Corporation may permit the use of local or State funds as matching funds if the Corporation determines that such use would be equitable due to a lack of available private funds at the local level. The Corporation shall establish a ceiling on the amount of assistance that may be provided to a national service program under this subsection.”.

**SEC. 1306. ALLOCATION OF ASSISTANCE TO STATES AND OTHER ELIGIBLE ENTITIES.**

Section 129 (42 U.S.C. 12581) is amended to read as follows:

**“SEC. 129. PROVISION OF ASSISTANCE AND APPROVED NATIONAL SERVICE POSITIONS.**

“(a) 1-PERCENT ALLOTMENT FOR CERTAIN TERRITORIES.—Of the funds allocated by the Corporation for provision of assistance under section 121(a) for a fiscal year, the Corporation shall reserve 1 percent for grants to the United States Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands upon approval by the Corporation of an application submitted under section 130. The amount allotted as a grant to each such territory under this subsection for a fiscal year shall be equal to the amount that bears the same ratio to 1 percent of the allocated funds for that fiscal year as the population of the territory bears to the total population of such territories.

“(b) 1-PERCENT ALLOTMENT FOR INDIAN TRIBES.—Of the funds allocated by the Corporation for provision of assistance under section 121(a) for a fiscal year, the Corporation shall reserve at least 1 percent for grants to Indian tribes, to be allotted by the Corporation on a competitive basis in accordance with their respective needs.

“(c) UP TO 20 PERCENT ALLOTMENT FOR NATIONAL GRANTS.—Of the funds allocated by the Corporation for provision of assistance under section 121(a) for a fiscal year, the Corporation shall reserve up to 20 percent for grants to nonprofit organizations to operate a program in 2 or more States.

“(d) AT LEAST 35 PERCENT ALLOTMENT FOR STATE COMPETITIVE GRANTS.—Of the funds allocated by the Corporation for provision of assistance under subsection (a) of section 121 for a fiscal year, the Corporation shall reserve at least 35 percent for innovative grants to States on a competitive basis.

“(e) 45 PERCENT TO CERTAIN STATES ON FORMULA BASIS.—

“(1) GRANTS.—Of the funds allocated by the Corporation for provision of assistance under subsection (a) of section 121 for a fiscal year, the Corporation shall make a grant to each of the several States, the District of Columbia, and the Commonwealth of Puerto Rico that submits an application under section 130 that is approved by the Corporation.

“(2) ALLOTMENTS.—The amount allotted as a grant to each such State under this subsection for a fiscal year shall be equal to the amount that bears the same ratio to 45 percent of the allocated funds for that fiscal year as the population of the State bears to the total population of the several States, the District of Columbia, and the Commonwealth of Puerto Rico, in compliance with paragraph (3).

“(3) MINIMUM AMOUNT.—Notwithstanding paragraph (2), the minimum grant made available to each State approved by the Corporation under paragraph (1) for each fiscal year must be at least \$500,000.

“(f) ADJUSTMENTS.—

“(1) RESERVATION OF FUNDS.—Notwithstanding subsections (c) through (e), except as provided in paragraph (3), the Corporation shall ensure that it reserves funds for competitive grants to States in an aggregate amount equal to the aggregate amount of competitive grant funds provided to all States with fiscal year 2002 funds.

“(2) REDUCTION FROM FORMULA GRANTS.—In order to meet the requirements of paragraph (1) during a fiscal year in which the percentage allotment for State competitive grants under subsection (d) is less than the aggregate amount of competitive grants funds provided to all States with fiscal year 2002 funds, the Corporation shall reduce the amount available for State formula grants under subsection (e).

“(3) PROPORTIONATE REDUCTIONS.—In any fiscal year in which the aggregate amount allocated under subsections (a) through (e) is less than the aggregate amount allocated for such purposes with fiscal year 2002 funds, the Corporation

shall reduce the amounts allocated under each subsection in a manner that corresponds to the respective proportions of allocations of fiscal year 2002 funds.

“(g) EFFECT OF FAILURE TO APPLY.—If a State or territory fails to apply for, or fails to give notice to the Corporation of its intent to apply for an allotment under this section, the Corporation may use the amount that would have been allotted under this section to the State or territory to—

“(1) make grants (and provide approved national service positions in connection with such grants) to other eligible entities under section 121 that propose to carry out national service programs in the State or territory; and

“(2) make a reallocation to other States and territories with approved applications submitted under section 130.

“(h) APPLICATION REQUIRED.—The allotment of assistance and approved national service positions to a recipient under this section shall be made by the Corporation only pursuant to an application submitted by a State or other applicant under section 130.

“(i) APPROVAL OF POSITIONS SUBJECT TO AVAILABLE FUNDS.—The Corporation may not approve positions as approved national service positions under this subtitle for a fiscal year in excess of the number of such positions for which the Corporation has sufficient available funds in the National Service Trust for that fiscal year, taking into consideration funding needs for national service educational awards under subtitle D based on completed service. If appropriations are insufficient to provide the maximum allowable national service educational awards under subtitle D for all eligible participants, the Corporation is authorized to make necessary and reasonable adjustments to program rules.

“(j) SPONSORSHIP OF APPROVED NATIONAL SERVICE POSITIONS.—

“(1) SPONSORSHIP AUTHORIZED.—The Corporation may enter into agreements with persons or entities who offer to sponsor national service positions for which the person or entity will be responsible for supplying the funds necessary to provide a national service educational award. The distribution of these approved national service positions shall be made pursuant to the agreement, and the creation of these positions shall not be taken into consideration in determining the number of approved national service positions to be available for distribution under this section.

“(2) DEPOSIT OF CONTRIBUTION.—Funds provided pursuant to an agreement under paragraph (1) shall be deposited in the National Service Trust established in section 145 until such time as the funds are needed.

“(k) RESERVATION OF FUNDS FOR SPECIAL ASSISTANCE.—From amounts appropriated for a fiscal year pursuant to the authorization of appropriations in section 501(a)(2) and subject to the limitation in such section, the Corporation may reserve such amount as the Corporation considers to be appropriate for the purpose of making assistance available under sections 125 and 126.

“(l) RESERVATION OF FUNDS TO INCREASE THE PARTICIPATION OF INDIVIDUALS WITH DISABILITIES.—From amounts appropriated for a fiscal year pursuant to the authorization of appropriations in section 501(a)(2) and subject to the limitation in such section, the Chief Executive Officer shall reserve an amount that is not less than 1 percent of such amount (except that the amount reserved may not exceed \$10,000,000), in order to make grants to public or private nonprofit organizations to increase the participation of individuals with disabilities in national service and for demonstration activities in furtherance of this purpose.”

#### SEC. 1307. ADDITIONAL AUTHORITY.

Subtitle C of title I (42 U.S.C. 12571 et seq.) is amended by inserting after section 129 the following new sections:

##### “SEC. 129A. PILOT AUTHORITY FOR MEMBER-BASED NATIONAL SERVICE POSITIONS.

“(a) AUTHORITY.—The Corporation may, on a pilot basis, reserve up to 5 percent of the funds allocated by the Corporation for provision of assistance under subsection (a) of section 121 for a fiscal year to test new approaches to increasing and diversifying opportunities to serve in approved national service positions in communities throughout the United States, including allowing individuals to serve in such positions other than through program operational grants under this subtitle.

“(b) COMPETITIVE SELECTION OF ELIGIBLE ENTITIES.—The Corporation may, each fiscal year, after making selections on a competitive basis, provide funds authorized under subsection (a) to not more than 15 State commissions on national and community service and other entities eligible for assistance under subsection (a) of section 121.

“(c) REQUIREMENTS.—To receive a grant under this section, an eligible entity must demonstrate that it—

“(1) satisfies qualification criteria established by the Corporation, including standards relating to organizational capacity, financial management, and pro-

grammatic oversight, that are designed to ensure that Federal funds are managed in accordance with all applicable requirements, and that service activities subject to its oversight comply with all applicable restrictions;

“(2) is meeting accountability requirements under section 186;

“(3) has mechanisms to ensure compliance with sections 132, 174, and 175;

“(4) will approve sites for placement of participants in a manner that achieves the purposes of this section;

“(5) will oversee no more than 5 participants at each site; and

“(6) will comply with matching funds requirements set by the Corporation, unless the Corporation determines that the reasonable and necessary costs of carrying out the approved activity significantly exceed the amount of assistance provided by the Corporation.

“(d) DURATION.—An agreement to support activities under this section shall be for a period not to exceed 3 years.

“(e) ACCOUNTABILITY.—

“(1) The Corporation shall consult with its Inspector General, State commissions on national and community service, and national and State accrediting agencies in developing methods of ensuring and improving accountability in the pilot initiatives under this section, including the areas of financial management and participant management.

“(2) If an eligible entity fails to comply with accountability measures applicable to this section, it shall be ineligible to receive a grant under this section for at least 5 years.

“(f) REPORTS TO CONGRESS.—The Corporation shall report to Congress, on an annual basis, on activities undertaken, and outcomes achieved, under this pilot authority.

#### “SEC. 129B. EDUCATION AWARDS PROGRAM.

“(a) IN GENERAL.—From amounts appropriated for a fiscal year to provide financial assistance under this subtitle and consistent with the restriction in subsection (b), the Corporation may provide operational assistance to programs that receive approved national service positions but do not receive funds under section 121(a).

“(b) LIMIT ON CORPORATION GRANT FUNDS.—Operational support under this section may not exceed \$600 per individual enrolled in an approved national service position.

“(c) INAPPLICABLE PROVISIONS.—The following provisions shall not apply to programs funded under this section:

“(1) The limitation on administrative costs under section 121(d).

“(2) The matching funds requirements under sections 121(e) and 140.

“(3) The living allowance and other benefits under sections 131(e) and section 140 (other than individualized support services for disabled members under section 140(f)).

#### “SEC. 129C. FIXED AMOUNT GRANTS.

“(a) GENERAL.—Subject to the limitations in this section, the Corporation may, upon making a determination described in subsection (b), approve a fixed amount grant that is not subject to the Office of Management and Budget cost principles and related financial recordkeeping requirements.

“(b) DETERMINATION.—Before approving a fixed amount grant, the Corporation must determine that—

“(1) the reasonable and necessary costs of carrying out the terms of the grant significantly exceed the amount of assistance provided by the Corporation; or

“(2) based on the nature or design of the grant, any assistance provided by the Corporation can be reasonably presumed to be expended on reasonable and necessary costs.

“(c) FIXED AMOUNT GRANT ELECTION BY FORMULA RECIPIENTS.—A recipient of a grant under subsection (a) or (e) of section 129 may, after making the determination described in subsection (b), elect to make subgrants as fixed amount grants.

“(d) FIXED AMOUNT GRANT DESIGNATION FOR COMPETITIVE RECIPIENTS.—The Chief Executive Officer may, after making the determination described in subsection (b), make competitive grants under section 129 as fixed amount grants.”.

#### SEC. 1308. STATE SELECTION OF PROGRAMS.

Section 130 (42 U.S.C. 12582) is amended—

(1) in subsection (a), by striking “to be carried out using the assistance” and all that follows through “or Federal agency” and inserting “, an applicant”;

(2) in subsection (c)(1), by striking “jobs or”;

(3) in subsection (e)—

(A) by striking paragraph (2); and

(B) by redesignating paragraph (3) as paragraph (2);

(4) in subsection (f)—

(A) in paragraph (1), by striking “a program applicant” and inserting “an applicant”;

(B) in paragraph (2)—

(i) in the heading, by striking “PROGRAM APPLICANT” and inserting “APPLICANT”; and

(ii) by striking “program applicant” and inserting “applicant”; and

(C) by striking “institution of higher education, or Federal agency” and inserting “or institution of higher education” each place it appears; and

(5) in subsection (g), by striking the period and inserting “or is already receiving financial assistance from the Corporation.”.

#### **SEC. 1309. CONSIDERATION OF APPLICATIONS.**

Section 133 (42 U.S.C. 12585) is amended—

(1) in subsection (b)(2)(B), by striking “jobs or”;

(2) in subsection (c), by redesignating paragraph (8) as paragraph (9) and inserting after paragraph (7) the following:

“(8) If applicable, as determined by the Corporation, the extent to which the program generates the involvement of volunteers.”; and

(3) in subsection (d)—

(A) in paragraph (2)—

(i) by striking subparagraphs (A) and (G), and redesignating subparagraphs (B) through (F) as subparagraphs (A) through (E), respectively;

(ii) in subparagraph (D) (as so redesignated), by adding “and” at the end; and

(iii) in subparagraph (E) (as so redesignated), by striking “; and” and inserting a period; and

(B) by striking paragraph (4).

#### **SEC. 1310. DESCRIPTION OF PARTICIPANTS.**

Section 137 (42 U.S.C. 12591) is amended—

(1) in subsection (a)—

(A) by striking paragraph (3); and

(B) by redesignating paragraphs (4), (5), and (6) as paragraphs (3), (4), and (5), respectively;

(2) in subsection (b)—

(A) in paragraph (1), by striking “paragraph (4)” and inserting “paragraph (3)”; and

(B) in paragraph (2), by striking “between the ages of 16 and 25” and inserting “a 16-year-old out of school youth or an individual between the ages of 17 and 25”; and

(3) by striking subsection (c) and inserting the following:

“(c) SELF-CERTIFICATION AND WAIVER.—The Corporation may—

“(1) consider an individual as having satisfied the requirement of subsection (a)(4) if the individual informs the Corporation that such requirement has been satisfied; or

“(2) waive the requirements of subsection (a)(4) with respect to an individual if the program in which the individual seeks to become a participant conducts an independent evaluation demonstrating that the individual is incapable of obtaining a high school diploma or its equivalent.”.

#### **SEC. 1311. REFERENCE TO FEDERAL AGENCY.**

Section 138(a) is amended by striking “Federal agency.”.

#### **SEC. 1312. TERMS OF SERVICE.**

Section 139 (42 U.S.C. 12593) is amended—

(1) in subsection (b)(1), by striking “not less than 9 months and”;

(2) in subsection (b)(2), by striking “during a period of—” and all that follows and inserting “during a period of not more than 2 years.”; and

(3) in subsection (c)—

(A) in paragraph (1)(A), by striking “as demonstrated by the participant” and inserting “as determined by the organization responsible for granting a release, if the participant has otherwise performed satisfactorily and has completed at least 15 percent of the original term of service”;

(B) in paragraph (2)(A), by striking “provide to the participant that portion of the national service educational award” and inserting “certify the participant’s eligibility for that portion of the national service educational award”; and

(C) in paragraph (2)(B), by striking “to allow return to the program with which the individual was serving in order”.

**SEC. 1313. ADJUSTMENTS TO LIVING ALLOWANCE.**

Section 140 (42 U.S.C. 12594) is amended—

(1) in subsection (a)—

(A) in paragraph (1), by striking “paragraph (3)” and inserting “paragraphs (3) and (4)”;

(B) by redesignating paragraphs (4), (5), and (6) as paragraphs (5), (6), and (7), respectively;

(C) by inserting after paragraph (3) the following:

“(4) ADJUSTMENT FOR FEDERAL WORK-STUDY STUDENTS.—The living allowance that may be provided to an individual whose term of service includes hours for which the individual receives Federal work study wages shall be reduced by the amount of the individual’s Federal work study award.”;

(D) in paragraph (5) (as redesignated by this section) by striking “a reduced term of service under section 139(b)(3)” and inserting “a term of service that is less than 12 months”; and

(E) by inserting after paragraph (7) (as redesignated by this section) the following:

“(8) OTHER FEDERAL FUNDS.—

“(A) RECIPIENT REPORT.—A recipient of assistance under section 121 that is subject to the limitation on the Federal share of the annual living allowance in paragraph (2) shall report to the Corporation the amount and source of any Federal funds other than those provided by the Corporation used to pay the annual living allowance under paragraph (1).

“(B) CORPORATION REPORT.—The Corporation shall report to the Congress on an annual basis information regarding each recipient that uses Federal funds other than those provided by the Corporation to pay the annual living allowance under paragraphs (1) and (2), including amounts and sources of other Federal funds.”; and

(2) by striking subsection (h).

## **Subtitle D—Amendments to Subtitle D (National Service Trust and Provision of National Service Educational Awards)**

**SEC. 1401. AVAILABILITY OF FUNDS IN THE NATIONAL SERVICE TRUST.**

Section 145 (42 U.S.C. 12601) is amended—

(1) in subsection (a)(1)—

(A) in subparagraph (A), by striking “and”; and

(B) by adding at the end the following:

“(C) service-based scholarships for high school students; and

“(D) senior service scholarships under subtitle J.”;

(2) in subsection (a)(2), by striking “pursuant to section 196(a)(2)” and inserting “pursuant to section 196(a)(2), if the terms of such donations direct that they be deposited in the National Service Trust”;

(3) in subsection (c), by striking “for payments of national service educational awards in accordance with section 148.” and inserting “for—

“(1) payments of national service educational awards in accordance with section 148;

“(2) payments of interest in accordance with section 148(e);

“(3) the Federal share of service-based scholarships to high school students in accordance with section 149; and

“(4) senior service scholarships in accordance with subtitle J.”; and

(4) in subsection (d)—

(A) in paragraph (3)(B), by striking “and”;

(B) in paragraph (4), by striking the period and inserting “; and”; and

(C) by adding at the end the following:

“(5) identify the number of students who have received service-based scholarships and specify the amount of Federal and matching funds expended on an annual basis on service-based scholarships to high school students; and

“(6) identify the number of individuals who are currently performing service, or have performed service, under the senior service scholarship program pursuant to subtitle J.”.

**SEC. 1402. INDIVIDUALS ELIGIBLE TO RECEIVE A NATIONAL SERVICE EDUCATIONAL AWARD FROM THE TRUST.**

Section 146 (42 U.S.C. 12602) is amended—

(1) in subsection (a)—

(A) in the matter preceding paragraph (1), by striking “if the individual” and inserting “if the organization responsible for an individual’s supervision certifies that the individual”;

(B) by striking paragraphs (1), (2), and (3) and inserting the following:

“(1) met the applicable eligibility requirements for the position; and

“(2)(A) successfully completed the required term of service described in subsection (b) in an approved national service position; or

“(B)(i) satisfactorily performed prior to being granted a release for compelling personal circumstances under section 139(c); and

“(ii) served at least 15 percent of the required term of service described in subsection (b); and”;

(C) by redesignating paragraph (4) as paragraph (3); and

(2) by striking subsection (c) and inserting the following:

“(c) **LIMITATION ON RECEIPT OF EDUCATIONAL AWARDS.**—An individual may receive no more than an amount equal to the aggregate value of 2 national service educational awards for full-time service.”.

**SEC. 1403. DETERMINATION OF THE AMOUNT OF NATIONAL SERVICE EDUCATIONAL AWARDS.**

Section 147(a) (42 U.S.C. 12603(a)) is amended by striking “, for each of not more than 2 of such terms of service” and all that follows and inserting “of \$5,250.”.

**SEC. 1404. DISBURSEMENT OF NATIONAL SERVICE EDUCATIONAL AWARDS.**

Section 148 (42 U.S.C. 12604) is amended—

(1) in subsection (a)—

(A) in paragraph (2), by striking “cost of attendance” and inserting “cost of attendance or other educational expenses”;

(B) in paragraph (3), by striking “and”;

(C) by redesignating paragraph (4) as paragraph (5); and

(D) by inserting after paragraph (3) the following:

“(4) to pay expenses incurred in enrolling in an educational institution or training establishment that meets the requirements of chapter 36 of title 38, United States Code (38 U.S.C. 3451 et seq.); and”;

(2) in subsection (b)(7)—

(A) in subparagraph (A), by striking “, other than a loan to a parent of a student pursuant to section 428B of such Act (20 U.S.C. 1078–2)”;

(B) in subparagraph (B), by striking the period and inserting “; and”;

(C) by adding at the end the following:

“(C) any loan (other than a loan described in subparagraph (A) or (B)) determined by an institution of higher education to be necessary to cover a student’s educational expenses and made, insured, or guaranteed by—

“(i) an eligible lender, as defined in section 435 of the Higher Education Act of 1965 (20 U.S.C. 1085);

“(ii) the direct student loan program under part D of title IV of such Act;

“(iii) a State agency; or

“(iv) a lender otherwise determined by the Corporation to be eligible to receive disbursements from the National Service Trust.”;

(3) in subsection (e), by striking “subsection (b)(6)” and inserting “subsection (b)(7)”; and

(4) in subsection (f), by striking “Director” and inserting “Chief Executive Officer”.

**SEC. 1405. ADDITIONAL USES OF NATIONAL SERVICE TRUST AMOUNTS.**

Subtitle D of title I (42 U.S.C. 12601 et seq.) is amended by adding at the end the following new sections:

**“SEC. 149. USE BY PARTICIPANTS WITH DISABILITIES.**

“Notwithstanding any other provision of this subtitle, the National Service Trust may disburse some or all of a national service educational award directly to an individual who provides a certification that—

“(1) the individual is—

“(A) entitled to disability insurance benefits under section 223 of the Social Security Act (42 U.S.C. 423);

“(B) entitled to monthly insurance benefits under section 202 of the Social Security Act (42 U.S.C. 202) based on such individual’s disability (as defined in section 223(d) of such Act); or

“(C) eligible for supplemental security income benefits under subchapter XVI of the Social Security Act (42 U.S.C. 1381 et seq.) on the basis of blindness (within the meaning of section 1614(a)(2) of such Act) or disability (within the meaning of section 1614(a)(3) of such Act); and



“(2) the individual will use the disbursed funds to pay for education, training, or work-related activities designed to make the individual self-supporting.

**“SEC. 149A. SERVICE-BASED SCHOLARSHIPS TO HIGH SCHOOL STUDENTS.**

“(a) PROGRAM AUTHORIZED.—The Corporation may use amounts in the National Service Trust to support a service-based scholarship program to recognize high school juniors and seniors who are engaged in outstanding community service and scholarship.

“(b) APPROVED USE OF SCHOLARSHIPS.—The Corporation may use amounts in the Trust to supplement locally funded scholarships to help cover an individual’s post-secondary education or job training costs.

“(c) CORPORATION SHARE.—The Corporation’s share of an individual’s scholarship under the program may not exceed \$500.

“(d) LOCAL SHARE.—The local share of an individual’s scholarship under the program must be equal to or greater than the Corporation’s share.”.

## **Subtitle E—Amendments to Subtitle E (National Civilian Community Corps)**

**SEC. 1501. PURPOSE.**

Section 151 (42 U.S.C. 12611) is amended to read as follows:

**“SEC. 151. PURPOSE.**

“It is the purpose of this subtitle to authorize the operation of, and support for, residential and other service programs that combine the best practices of civilian service with the best aspects of military service, including leadership and team building, to meet national and community needs. Such needs to be met under such programs include those related to natural and other disasters, which shall be addressed in coordination with the Federal Emergency Management Agency and other public and private organizations.”.

**SEC. 1502. PROGRAM COMPONENTS.**

Section 152 (42 U.S.C. 12612) is amended—

- (1) in the heading, by striking “demonstration”;
- (2) in subsections (a) and (b), by striking “Demonstration”;
- (3) in the heading of subsection (c), by striking “PROGRAMS” and inserting “COMPONENTS”; and
- (4) in subsection (c), by striking “program components are residential programs” and all that follows and inserting “programs referred to in subsection (b) may include a residential component.”.

**SEC. 1503. ELIGIBLE PARTICIPANTS.**

Section 153 (42 U.S.C. 12613) is amended—

- (1) in subsection (a), by striking “Demonstration”;
- (2) in subsection (b), by striking “if the person” and all that follows and inserting “if the person will be at least 18 years of age by December 31 in the calendar year in which the individual enrolls in the program.”;
- (3) in the heading of subsection (c), by striking “BACKGROUNDS” and inserting “BACKGROUNDS”; and
- (4) by striking subsection (e).

**SEC. 1504. SUMMER NATIONAL SERVICE PROGRAM.**

Section 154 (42 U.S.C. 12614) is amended—

- (1) in subsection (a), by striking “Demonstration”; and
- (2) by adding at the end the following:
 

“(d) ALTERNATIVE BENEFIT.—The Director may provide a scholarship for post-secondary education not to exceed \$1,000 and consistent with section 148(c) to participants under this section who do not meet the minimum age requirements for a national service educational award under section 146.”.

**SEC. 1505. TEAM LEADERS.**

Section 155 (42 U.S.C. 12615) is amended—

- (1) in subsection (a), by striking “Demonstration”; and
- (2) in subsection (b), by adding at the end the following:
 

“(4) TEAM LEADERS.—The Director may select from Corps members individuals with prior supervisory or service experience to be team leaders within units in the National Civilian Community Corps to perform service that includes leading and supervising teams of Corps members. Team leaders shall—

“(A) be selected without regard to the age limitation under section 153(b);

“(B) be members of the National Civilian Community Corps; and  
 “(C) be provided the rights and benefits applicable to Corps members, except that the limitation on the amount of living allowance shall not exceed 10 percent more than the amount established under section 158(b).”.

**SEC. 1506. CONSULTATION WITH STATE COMMISSIONS.**

Section 157 (42 U.S.C. 12617) is amended—

- (1) in subsection (b)(1)(B), by inserting “community-based organizations and” before “representatives of local communities”;
- (2) in subsection (b)(2), by inserting “State commissions,” before “and persons involved in other youth service programs.”; and
- (3) in subsection (c), by adding at the end the following:  
 “(3) DISASTER ASSISTANCE.—The Director shall place appropriate emphasis on projects in support of disaster relief efforts.”.

**SEC. 1507. PERMANENT CADRE.**

Section 159 (42 U.S.C. 12619) is amended—

- (1) in subsection (a), by striking “Demonstration”;
- (2) in subsection (c)(2)—
  - (A) in subparagraph (A), by striking “The Director shall establish a permanent cadre of” and inserting “The Chief Executive Officer shall establish a permanent cadre that includes the Director and other appointed”;
  - (B) in subparagraph (B), by striking “The Director shall appoint the members” and inserting “The Chief Executive Officer shall consider the recommendations of the Director in appointing the other members”; and
  - (C) in subparagraph (C), by striking “the Director” and inserting “the Chief Executive Officer”; and
- (3) in the first sentence of subsection (c)(3), by striking “the members” and inserting “other members”.

**SEC. 1508. CONTRACT AND GRANT AUTHORITY.**

Section 161(a) (42 U.S.C. 12621(a)) is amended by striking “perform any program function under this subtitle” and inserting “carry out the National Civilian Community Corps program”.

**SEC. 1509. OTHER DEPARTMENTS.**

Section 162(a)(2)(A) (42 U.S.C. 12622(a)(2)(A)) is amended by striking “to be recommended for appointment” and inserting “from which individuals may be selected for appointment by the Director”.

**SEC. 1510. REPEAL OF AUTHORITY FOR ADVISORY BOARD AND FUNDING LIMITATION.**

Sections 163 and 165 (42 U.S.C. 12623 and 12625) and the items relating to such sections in the table of contents contained in section 1(b) (42 U.S.C. 12501 note) are repealed.

**SEC. 1511. DEFINITIONS.**

Section 166 (42 U.S.C. 12626) is amended—

- (1) by striking paragraph (9);
- (2) by redesignating paragraphs (2) through (8) as paragraphs (3) through (9) respectively;
- (3) by inserting after paragraph (1) the following:  
 “(2) CAMPUS DIRECTOR.—The term ‘campus director’, with respect to a Corps campus, means the head of the campus under section 155(d).”; and
- (4) in paragraphs (3), (5), and (8) (as redesignated by this section), by striking “Demonstration”.

**SEC. 1512. EMERGENCY RESPONSE CORPS.**

Subtitle E of title I (42 U.S.C. 12611 et seq.) is amended by adding at the end the following new section:

**“SEC. 167. EMERGENCY RESPONSE CORPS.**

“(a) AUTHORITY TO PROVIDE ASSISTANCE.—Subject to the availability of appropriations under this subtitle for this purpose, the Corporation may make grants, and provide an allotment of educational awards, to State and local public agencies and private nonprofit organizations, including institutions of higher education, for the purpose of supporting the development and operation of emergency response corps as part of the National Civilian Community Corps.

“(b) ELIGIBLE PROGRAMS.—A recipient of a grant under this section shall conduct an emergency response corps program, which may include a residential program, in which individuals at least 18 years of age receive training and are deployed to respond to natural and other disasters and otherwise support local communities in public safety, public health, and emergency preparedness. Such a program may in-

clude national service opportunities for participants to be trainees as law enforcement officers, firefighters and rescue personnel, search and rescue personnel, emergency medical service workers, and disaster services workers.

“(c) USE OF FUNDS.—

“(1) ALLOWABLE COSTS.—A recipient of a grant under this section may use the amounts of the grant to pay costs attributable to the development or operation of an emergency response corps including—

“(A) for residential programs, a living allowance that does not exceed the amount that is provided to National Civilian Community Corps members under section 158(b);

“(B) other member benefits and services consistent with those authorized under subsections (c) and (d) of section 158;

“(C) recruitment;

“(D) training;

“(E) insurance; and

“(F) management.

“(2) ADMINISTRATIVE COSTS.—A recipient of a grant under this section may use up to 5 percent of the amount of the grant provided by the Corporation to pay for the recipient’s cost of administering the approved program.

“(d) NATIONAL SERVICE EDUCATIONAL AWARDS.—An individual who successfully completes a term of service in an emergency response corps may receive the national service educational award described in subtitle D if the individual—

“(1) serves in an approved national service position; and

“(2) satisfies the eligibility requirements specified in section 146 with respect to service in that approved national service position.”.

**SEC. 1513. TERMINOLOGY.**

Subtitle E of title I (42 U.S.C. 12611 et seq.) is amended—

(1) by striking “Civilian Community Corps” each place it appears and inserting “National Civilian Community Corps”;

(2) by striking “**CIVILIAN COMMUNITY CORPS**” each place it appears and inserting “**NATIONAL CIVILIAN COMMUNITY CORPS**”;

(3) by striking “superintendent” each place it appears and inserting “director”;

(4) by striking “SUPERINTENDENT” each place it appears and inserting “DIRECTOR”;

(5) by striking “camp” each place it appears and inserting “campus”;

(6) by striking “CAMP” each place it appears and inserting “CAMPUS”;

(7) by striking “camps” each place it appears and inserting “campuses”; and

(8) by striking “CAMPS” each place it appears and inserting “CAMPUSES”.

## **Subtitle F—Amendments to Subtitle F (Administrative Provisions)**

**SEC. 1601. FAMILY AND MEDICAL LEAVE.**

Section 171 (42 U.S.C. 12631) is amended—

(1) in subsection (a)(1), by striking “with respect to a project” and inserting “with respect to a project authorized under the national service laws”;

(2) by redesignating subsections (b) and (c) as subsections (c) and (d); and

(3) by inserting after subsection (a) the following:

“(b) SERVICE SPONSORS.—Participants in a project authorized under the national service laws shall not be considered employees for purposes of determining whether a service sponsor is an employer under subsection (a)(2).”.

**SEC. 1602. ADDITIONAL PROHIBITIONS ON USE OF FUNDS.**

Section 174 (42 U.S.C. 12634) is amended by adding at the end the following:

“(d) REFERRALS FOR FEDERAL ASSISTANCE.—A program may not receive assistance under the national service laws for the sole purpose of referring individuals to Federal assistance programs or State assistance programs funded in part by the Federal government.

“(e) SEX EDUCATION PROGRAMS.—No assistance made available under the national service laws shall be used—

“(1) to develop or distribute materials or operate programs or courses of instruction directed at youth that are designed to promote or encourage sexual activity;

“(2) to distribute or aid in the distribution by any organization of obscene materials to minors on school grounds;

“(3) to provide in schools—

“(A) sex education, unless such education is age appropriate and includes discussion of the health benefits of abstinence; and

“(B) HIV-prevention instruction, unless such instruction is age appropriate, includes discussion of the health benefits of abstinence, and includes discussion of the health risks of the human papillomavirus (HPV), consistent with the provisions of section 317P(c) of the Public Health Service Act (42 U.S.C. 247b-17(c)), or

“(4) to operate a program of contraceptive distribution in schools.”.

**SEC. 1603. NOTICE, HEARING, AND GRIEVANCE PROCEDURES.**

Section 176 (42 U.S.C. 12636) is amended—

(1) by striking “this title” each place it appears and inserting “the national service laws”;

(2) in subsection (a)(2)(A), by striking “30 days” and inserting “1 or more periods of 30 days not to exceed 90 days in total”; and

(3) in subsection (f)—

(A) in paragraph (1), by striking “A State or local applicant” and inserting “An entity”; and

(B) in paragraph (6)—

(i) in subparagraph (C), by striking “and”;

(ii) by redesignating subparagraph (D) as subparagraph (E); and

(iii) by inserting after subparagraph (C) the following:

“(D) in a grievance filed by an individual applicant or participant—

“(i) the applicant’s selection or the participant’s reinstatement, as the case may be; and

“(ii) other changes in the terms and conditions of service.”.

**SEC. 1604. RESOLUTION OF DISPLACEMENT COMPLAINTS.**

Section 177 (42 U.S.C. 12637) is amended—

(1) in subsections (a) and (b), by striking “under this title” each place it appears and inserting “under the national service laws”;

(2) in subsection (b)(1), by striking “employee or position” and inserting “employee, position, or volunteer (other than a participant under the national service laws)”;

(3) by striking subsection (e) and inserting the following:

“(e) STANDARDS OF CONDUCT.—

“(1) IN GENERAL.—Programs that receive assistance under the national service laws shall establish and stringently enforce standards of conduct at the program site to promote proper moral and disciplinary conditions, and shall consult with the parents or legal guardians of children in developing and operating programs that include and serve children.

“(2) PARENTAL PERMISSION.—Programs that receive assistance under the national service laws shall, consistent with State law, before transporting minor children, provide the reason for and obtain written permission of the children’s parents.”.

**SEC. 1605. STATE COMMISSIONS ON NATIONAL AND COMMUNITY SERVICE.**

Section 178 (42 U.S.C. 12638) is amended—

(1) in subsection (c)(1), by adding at the end the following:

“(J) A representative of the volunteer sector.”;

(2) in subsection (c)(3), by striking “, unless the State permits the representative to serve as a voting member of the State Commission or alternative administrative entity”;

(3) by striking subsection (e)(1) and inserting the following:

“(1) Preparation of a national service plan that—

“(A) is developed through an open and public process (such as through regional forums, hearings, and other means) that provides for maximum participation and input from nonprofit organizations and public agencies using service and volunteerism as a strategy to meet critical community needs, including programs funded under the national service laws;

“(B) covers a 3-year period, the beginning of which may be set by the State;

“(C) is subject to approval by the Chief Executive Officer;

“(D) includes measurable goals and outcomes;

“(E) ensures outreach to community and religious organizations, including those that serve underrepresented populations;

“(F) provides for effective coordination of funding applications submitted by the State and others within the State under the national service laws; and

- “(G) identifies potential changes in practices and policies that will improve the coordination and effectiveness of Federal, State, and local resources for service and volunteerism within the State.”;
- (4) by redesignating subsections (f) through (j) as subsections (g) through (k), respectively;
- (5) by inserting after subsection (e) the following:
- “(f) **RELIEF FROM ADMINISTRATIVE REQUIREMENTS.**—Upon approval of a State plan submitted under subsection (e)(1), the Chief Executive Officer may waive, or specify alternatives to, administrative requirements (other than statutory provisions) otherwise applicable to grants made to States under the national service laws, including those requirements identified by a State as impeding the coordination and effectiveness of Federal, State, and local resources for service and volunteerism within a State.”; and
- (6) in subsection (j)(1) (as redesignated by this section), by striking the period and inserting “, consistent with section 174(d).”.

**SEC. 1606. EVALUATION AND ACCOUNTABILITY.**

Section 179 (42 U.S.C. 12639) is amended—

- (1) in subsection (a), by striking “to determine—” and all that follows and inserting “to determine the effectiveness of programs supported under the national service laws in achieving stated goals and the costs associated with each of such programs, while conducting research on the role of service and civic engagement as a means of fostering healthy civic organizations.”;
- (2) in subsection (g)—
- (A) in paragraph (3), by striking “National Senior Volunteer Corps” and inserting “National Senior Service Corps”; and
- (B) in paragraph (9), by striking “to public service” and all that follows and inserting “to engage in service that benefits the community.”; and
- (3) by adding at the end the following:
- “(j) **RESERVED PROGRAM FUNDS FOR ACCOUNTABILITY.**—In addition to amounts appropriated to carry out this section, the Corporation may reserve up to 1 percent of total program funds appropriated in a fiscal year under the national service laws to support program accountability activities.”.

**SEC. 1607. TECHNICAL AMENDMENT.**

Section 181 (42 U.S.C. 12641) is amended by striking “Section 414” and inserting “Section 422”.

**SEC. 1608. ADDITIONAL ADMINISTRATIVE PROVISIONS.**

Subtitle F of title I (42 U.S.C. 12631 et seq.) is amended by adding at the end the following new sections:

**“SEC. 185. CONSOLIDATED APPLICATION AND REPORTING REQUIREMENTS.**

“To promote efficiency and eliminate duplicative requirements, the Corporation may consolidate or modify application procedures and reporting requirements for programs and activities funded under the national service laws.

**“SEC. 186. ACCOUNTABILITY FOR RESULTS.**

“(a) **MEASURES.**—

“(1) **ESTABLISHMENT OF MEASURES.**—The Corporation shall establish, in consultation with grantees receiving assistance under the national service laws, performance measures for each grantee.

“(2) **CONTENT.**—The measures described in paragraph (1) shall include—

“(A) the number of participants enrolled as compared to the number stated in the organization’s approved application for assistance;

“(B) evidence of community support, such as private financial contributions and volunteers recruited from the community;

“(C) progress toward program outcome measures; and

“(D) performance on other measures as determined by the Corporation.

“(3) **SOURCE.**—The measures described in paragraph (1) may include self-reported data from grantees or independent data collected by the Corporation.

“(b) **CORRECTIVE PLANS.**—A grantee that does not achieve the established levels of performance on the measures, as determined by the Corporation, shall submit to the Corporation for approval a plan of correction to achieve the established levels of performance.

“(c) **FAILURE TO MEET PERFORMANCE LEVELS.**—If, after a period for correction as approved by the Corporation, a grantee or subgrantee fails to achieve the established levels of performance, the Corporation shall—

“(1) reduce the annual amount of the grant award attributable to the underperforming grantee or subgrantee by at least 25 percent; or

“(2) terminate assistance to the underperforming grantee or subgrantee, consistent with section 176(a).

“(d) REPORTS TO CONGRESS.—The Corporation shall submit a report to Congress within 2 years after the date of enactment of this section, and annually thereafter, containing information on the number of programs implementing corrective plans and the number of programs for which assistance is terminated, and the number of programs meeting or exceeding their performance measures under this section for the year covered by the report.

**“SEC. 187. SUSTAINABILITY.**

“(a) GOALS.—To ensure that recipients of assistance under the national service laws are meeting sustainability goals, the Corporation may, in consultation with recipients of assistance under the national service laws, establish policies and procedures to—

“(1) establish limits on the number of years recipients may receive assistance to carry out a project;

“(2) increase match requirements; and

“(3) implement measures to ascertain whether projects are generating sufficient community support.

“(b) ENFORCEMENT.—Any action by the Corporation to suspend or terminate assistance to recipients that do not meet sustainability goals set by the Corporation shall be consistent with section 176(a) and section 186.

**“SEC. 188. USE OF RECOVERED FUNDS.**

“(a) FACTORS CONSIDERED IN APPROVING REPAYMENT.—After the date of enactment of this section, whenever the Corporation recovers funds paid to a recipient under a grant or cooperative agreement made under the national service laws because the recipient made an expenditure of funds that was not allowable, or otherwise failed to discharge its responsibility to account properly for funds, the Corporation may consider those funds to be additional funds available and may arrange to repay to the recipient affected by that action an amount not to exceed 75 percent of the recovered funds if the Corporation determines that—

“(1) the practices or procedures of the recipient that resulted in the recovery of funds have been corrected, and that the recipient is in all other respects in compliance with the requirements of the grant or cooperative agreement, if the recipient was notified of any noncompliance with such requirements and given a reasonable period of time to remedy such noncompliance;

“(2) the recipient has submitted to the Corporation a plan for the use of those funds consistent with the national service laws and, to the extent possible, for the benefit of the community affected by the recovery of funds; and

“(3) the use of those funds in accordance with that plan would serve to achieve the objectives of the grant or cooperative agreement under which the funds were originally paid.

“(b) TERMS AND CONDITIONS OF REPAYMENT.—Any payments by the Corporation under this section shall be subject to other terms and conditions as the Corporation considers necessary to accomplish the purposes of the grant or cooperative agreement, including—

“(1) the submission of periodic reports on the use of funds provided under this section; and

“(2) consultation by the recipient with members of the community that will benefit from the payments.

“(c) AVAILABILITY OF FUNDS.—Notwithstanding any other provision of law, the funds made available under this section shall remain available for expenditure for a period of time considered reasonable by the Corporation, but in no case to exceed more than 3 fiscal years following the later of—

“(1) the fiscal year in which final agency action regarding the disallowance of funds is taken; or

“(2) if such recipient files a petition for judicial review regarding the disallowance of funds, the fiscal year in which final judicial action is taken on such a petition.

“(d) PUBLICATION IN FEDERAL REGISTER.—At least 60 days prior to entering into an arrangement under this section, the Corporation shall publish in the Federal Register a notice of intent to enter into such an arrangement and the terms and conditions under which payments will be made. Interested persons shall have an opportunity for at least 30 days to submit comments to the Corporation regarding the proposed arrangement.

**“SEC. 189. CAPACITY BUILDING.**

“Participants in programs supported under the national service laws, including individuals serving in approved national service positions, may engage in activities,

including recruiting and managing volunteers, that increase the capacity of organizations that receive assistance under the national service laws to address unmet human, educational, environmental, or public safety needs.

**“SEC. 189A. EXPENSES OF ATTENDING MEETINGS.**

“Notwithstanding section 1345 of title 31, United States Code, funds authorized under the national service laws shall be available for expenses of attendance of meetings that are concerned with the functions or activities for which the funds are appropriated or which will contribute to improved conduct, supervision, or management of those functions or activities.

**“SEC. 189B. FEES.**

“(a) COLLECTION OF FEES.—The Corporation may charge and retain fair and reasonable fees for training, technical assistance, and publications. The amount of the fees shall be based on the cost of the activities or publications to the Corporation.

“(b) NOT FEDERAL FUNDS.—Fees collected under subsection (a) shall not be considered to be Federal funds and shall not be required to be deposited in the Treasury of the United States.

“(c) ANNUAL REPORTS.—The Corporation shall submit to the appropriate committees of Congress an annual report that includes the services or publications provided on a fee basis and the amount of fees received.

**“SEC. 189C. GRANT PERIODS.**

“Unless otherwise specifically provided, the Corporation has authority to make a grant under the national service laws for a period of 3 years.

**“SEC. 189D. GENERATION OF VOLUNTEERS.**

“In making decisions on applications for assistance or approved national service positions under the national service laws, the Corporation shall take into consideration the extent to which the applicant’s proposal will increase the involvement of volunteers in meeting community needs.

**“SEC. 189E. LIMITATION ON PROGRAM GRANT COSTS.**

“(a) LIMITATION ON GRANT AMOUNTS.—Except as otherwise provided by this section, the amount of funds approved by the Corporation in a grant to operate a program authorized under the national service laws supporting individuals serving in approved national service positions may not exceed \$16,000 per full-time equivalent position.

“(b) COSTS SUBJECT TO LIMITATION.—The limitation in subsection (a) applies to the Corporation’s share of member support costs, staff costs, and other costs borne by the grantee or subgrantee to operate a program.

“(c) COSTS NOT SUBJECT TO LIMITATION.—The limitation in subsection (a) and (e)(1) shall not apply to expenses that are not included in the program operating grant award.

“(d) ADJUSTMENTS FOR INFLATION.—The amount specified in subsections (a) and (e)(1) shall be adjusted each year after 2003 for inflation as measured by the Consumer Price Index for All Urban Consumers published by the Secretary of Labor.

**“(e) WAIVER AUTHORITY AND REPORTING REQUIREMENT.—**

“(1) WAIVER.—The Chief Executive Officer may waive the requirements of this section, up to a maximum of \$18,000, if necessary to meet the compelling needs of a particular program, such as exceptional training needs for a program serving disadvantaged youth, increased costs relating to the participation of individuals with disabilities, and start-up costs associated with a first-time grantee, and up to a maximum of \$20,000 for residential programs.

“(2) REPORTS.—The Chief Executive Officer shall report to Congress annually on all waivers granted under this section, with an explanation of the compelling needs justifying such waivers.

**“SEC. 189F. NOTICE REQUIREMENT.**

“(a) The Corporation shall ensure that the following notice is included in all application materials, grant announcements, and other material containing information regarding the application for assistance provided under the national service laws: ‘The Civil Rights Act of 1964 prohibits employers with 15 or more employees from engaging in employment practices that discriminate against an individual based on religion. Under section 702(a) of the Civil Rights Act, this prohibition generally does not apply to a religious corporation, association, educational institution, or society. However, as a requirement of receiving funding under the national service laws, any such religious entity shall not discriminate based on religion when employing new staff paid with funds received under the national service laws pursuant to section 175(c) of the National and Community Service Act of 1990 (42 U.S.C. 12635(c)) and section 417(c) of the Domestic Volunteer Service Act of 1973 (42 U.S.C. 5057(c)).’

“(b) Before providing assistance to a private entity referenced in paragraph (1), the Corporation shall ensure that written confirmation, separate from any other documents required by law or regulation, is obtained from such private entity acknowledging the recipient of assistance or funds has read and understands the following: ‘The Civil Rights Act of 1964 prohibits employers with 15 or more employees from engaging in employment practices that discriminate against an individual based on religion. Under section 702(a) of the Civil Rights Act, this prohibition generally does not apply to a religious corporation, association, educational institution, or society. However, as a requirement of receiving funding under the national service laws, any such religious entity shall not discriminate based on religion when employing new staff paid with funds received under the national service laws pursuant to section 175(c) of the National and Community Service Act of 1990 (42 U.S.C. 12635(c)) and section 417(c) of the Domestic Volunteer Service Act of 1973 (42 U.S.C. 5057(c)).’”

“(c) Subsections (a) and (b) of this section shall not amend, supersede, or otherwise affect rights, protections, or duties under the Civil Rights laws of the United States, the national service laws, or any other law.

**“SEC. 189G. AUDITS AND REPORTS.**

“The Corporation shall comply with applicable audit and reporting requirements as provided in the Chief Financial Officers Act of 1990 (31 U.S.C. 501 et seq.) and the Government Corporation Control Act of 1945 (31 U.S.C. 9101 et seq.). The Corporation shall report to the Congress any failure to comply with the requirements of such audits.”.

## **Subtitle G—Amendments to Subtitle G (Corporation for National and Community Service)**

**SEC. 1701. TERMS OF OFFICE.**

Section 192 (42 U.S.C. 12651a) is amended—

(1) by striking subsection (c) and inserting the following:

“(c) TERMS.—Subject to subsection (e), each appointed member shall serve for a term of 5 years.”; and

(2) by adding at the end the following:

“(e) SERVICE UNTIL APPOINTMENT OF SUCCESSOR.—A voting member of the Board whose term has expired may continue to serve until the earlier of—

“(1) the date on which a successor has taken office; or

“(2) the date on which the Congress adjourns sine die to end the session of Congress that commences after the date on which the member’s term expired.”.

**SEC. 1702. BOARD OF DIRECTORS AUTHORITIES AND DUTIES.**

Section 192A(g) (42 U.S.C. 12651b(g)) is amended—

(1) in the matter preceding paragraph (1) by striking “shall—” and inserting “shall have responsibility for setting overall policy for the Corporation and shall—”;

(2) by striking paragraphs (2) and (11);

(3) by redesignating paragraphs (3) through (10) as paragraphs (2) through (9), respectively;

(4) in paragraph (8) (as redesignated by this section), by inserting “and” after “Corporation;”; and

(5) in paragraph (9) (as redesignated by this section), by striking “program; and” and inserting “program under a cost share agreement, as determined by the Corporation, in which the funds advanced or received as reimbursement shall be credited directly to a current appropriation.”.

**SEC. 1703. PEER REVIEWERS.**

Section 193A (42 U.S.C. 12651d) is amended—

(1) in subsection (b)—

(A) in paragraph (9)(C), by striking the semicolon and inserting “; and”;

(B) by striking paragraph (10); and

(C) by redesignating paragraph (11) as paragraph (10);

(2) in subsection (c)—

(A) in paragraph (9), by striking “and” at the end;

(B) by redesignating paragraph (10) as paragraph (11); and

(C) by inserting after paragraph (9) the following:

“(10) obtain the opinions of peer reviewers in evaluating applications to the Corporation for assistance under this title; and”;

(3) by striking subsection (f); and



(4) by redesignating subsection (g) as subsection (f).

**SEC. 1704. NONVOTING MEMBERS; PERSONAL SERVICES CONTRACTS.**

Section 195 (42 U.S.C. 12651f) is amended—

(1) in subsection (c)(3)—

(A) in the heading, by striking “MEMBER” and inserting “NON-VOTING MEMBER”; and

(B) by inserting “non-voting” before “member”; and

(2) by adding at the end the following new subsection:

“(g) **PERSONAL SERVICES CONTRACTS.**—The Corporation may enter into personal services contracts to carry out research, evaluation, and public awareness related to the national service laws.”.

**SEC. 1705. DONATED SERVICES.**

Section 196(a) (42 U.S.C. 12651g(a)) is amended—

(1) in paragraph (1)—

(A) by striking subparagraph (A) and inserting the following:

“(A) **ORGANIZATIONS AND INDIVIDUALS.**—Notwithstanding section 1342 of title 31, United States Code, the Corporation may solicit and accept the services of organizations and individuals (other than participants) to assist the Corporation in carrying out the duties of the Corporation under the national service laws, and may provide to such individuals the travel expenses described in section 192A(d) of this Act (42 U.S.C. 12651b(d)).”;

(B) in subparagraph (B)—

(i) in the matter preceding clause (i), by striking “Such a volunteer” and inserting “An individual who provides services under this subtitle”;

(ii) in clause (i), by striking “a volunteer” and inserting “an individual who provides services”;

(iii) in clause (ii), by striking “volunteers” and inserting “individuals who provide services”; and

(iv) in clause (iii), by striking “such a volunteer” and inserting “an individual who provides such services”; and

(C) in subparagraph (C)(i), by striking “Such a volunteer” and inserting “An individual who provides services to the Corporation”; and

(2) by striking paragraph (3).

## Subtitle H—Amendments to Subtitle H

**SEC. 1801. TECHNICAL AMENDMENTS TO SUBTITLE H.**

Section 198 (42 U.S.C. 12653) is amended—

(1) in subsection (e)—

(A) in the heading, by striking “IMPROVE ABILITY TO APPLY FOR ASSISTANCE” and inserting “TRAINING AND TECHNICAL ASSISTANCE”; and

(B) by striking “and other entities” and all that follows and inserting “and other entities, including those in underserved rural and urban areas, to enable them to apply for funding under one of the national service laws, to conduct high-quality programs, to evaluate such programs, to support efforts to improve the management of nonprofit organizations and community groups, and for other purposes.”;

(2) in subsection (i)—

(A) by striking “conduct a campaign to”; and

(B) by striking “to promote” and inserting “may promote”;

(3) by striking subsection (q) and redesignating subsections (r) and (s) as subsections (q) and (r), respectively;

(4) in subsection (q) (as redesignated by this section), by striking the heading “ASSISTANCE FOR HEAD START” and inserting “AGREEMENTS WITH FOSTER GRANDPARENT PROGRAMS”; and

(5) by adding at the end the following new subsections:

“(s) **CHIEF EXECUTIVE OFFICER DISCRETIONARY GRANTS.**—

“(1) **AUTHORITY.**—The Chief Executive Officer is authorized to make grants, consistent with policies and procedures established by the Board of Directors, including grants made on the basis of an unsolicited application, to any entity eligible for assistance under the national service laws to support greater engagement of citizens in service and volunteerism.

“(2) **MATCHING FUNDS.**—The Chief Executive Officer shall require recipients of grants under this subsection to provide matching funds from non-Federal sources.

“(3) REPORT.—The Chief Executive Officer shall report to Congress on an annual basis on any grants made under this subsection.

“(t) VOLUNTEER SERVICE TECHNOLOGY PROGRAM.—The Corporation may provide grants for Volunteer Service Technology Programs to assist Internet volunteer recruiting entities to locate, promote, and match volunteers with local service and volunteer organizations. The Chief Executive Officer shall require recipients of grants under this subsection to provide matching funds from non-Federal sources.”.

**SEC. 1802. REPEAL OF SPECIAL DEMONSTRATION PROJECT.**

Section 198D (42 U.S.C. 12653d) and the item relating to such section in the table of contents contained in section 1(b) (42 U.S.C. 12501 note) are repealed.

## **Subtitle I—Additional Authorities**

**SEC. 1901. SENIOR SERVICE SCHOLARSHIPS.**

Title I (42 U.S.C. 12511 et seq.) is further amended by adding at the end the following new subtitle:

### **“Subtitle J—Senior Service Scholarships**

**“SEC. 199N. AUTHORITY TO PROVIDE ASSISTANCE AND SENIOR SERVICE SCHOLARSHIPS.**

“(a) PROVISION OF ASSISTANCE.—Subject to the availability of appropriations for this purpose, the Corporation may make grants to eligible entities under subsection (b) for the purpose of assisting the recipients of the grants in carrying out or sponsoring mentoring, tutoring, and other programs described in section 199P.

“(b) ELIGIBLE APPLICANTS.—States, Indian tribes, other public agencies, and non-profit organizations are eligible to apply for grants under this subtitle.

“(c) PROVISION OF SENIOR SERVICE SCHOLARSHIPS.—The Corporation may approve the provision of senior service scholarships described in section 199T for volunteers who meet the requirements in section 199S by serving—

“(1) in programs supported by assistance under subsection (a); or

“(2) in other programs consistent with the provisions of section 199P, as determined by the Corporation in consultation with a State or other recipient.

**“SEC. 199O. PROGRAMS ELIGIBLE FOR ASSISTANCE.**

“(a) TUTORING AND MENTORING ACTIVITIES.—Grants provided under this subtitle may support the service of seniors in mentoring and tutoring, either directly or indirectly (through activities such as family literacy programs), individuals up to 17 years of age. Tutoring programs in reading for children pre-K through grade 6 supported under this subtitle must be research-based.

“(b) OTHER ACTIVITIES.—Grants provided under this subtitle may also support the service of seniors to meet a wide variety of community needs, as set forth in the purposes of this Act.

**“SEC. 199P. GRANTS.**

“(a) AMOUNT.—After approving an application under this subtitle, the Corporation may provide up to \$600 per senior volunteer supported under this subtitle.

“(b) GRANT PERIOD.—Grants provided under this subtitle may cover a period of not more than 3 years, but may be renewed by the Corporation for successive periods.

“(c) USE OF FUNDS.—Grants provided under this subtitle may be used to pay reasonable costs attributable to the development or operation of volunteer programs, consistent with the application approved by the Corporation, including—

“(1) reimbursing direct volunteer costs, such as transportation, meals, and other items incidental to performing service;

“(2) recruitment and training of volunteers;

“(3) insurance; and

“(4) management of volunteers.

“(d) RESTRICTION.—A senior volunteer supported under this subtitle may not receive an amount greater than the amounts for allowances, stipends, and other support to senior volunteers as determined by the Corporation under title II of the Domestic Volunteer Service Act of 1973 (42 U.S.C. 5000 et seq.).

**“SEC. 199Q. FUNDS FOR SENIOR SERVICE SCHOLARSHIPS.**

“(a) IN GENERAL.—Funds for senior service scholarships may include—

“(1) appropriations authorized under section 501(a);

“(2) gifts specifically intended for senior service scholarships received by the Corporation under section 196(a)(2); and

“(3) interest that accrues on the funds received by the Corporation under paragraphs (1) and (2).

“(b) NATIONAL SERVICE TRUST.—Funds received by the Corporation under subsection (a) shall be deposited into the National Service Trust established under section 145(a).

“(c) INVESTMENT OF FUNDS.—The Corporation shall ensure that funds for senior service scholarships are invested in accordance with section 145(b).

“(d) TREATMENT OF FUNDS.—The Corporation shall—

“(1) use funds received under subsection (a) only for senior service scholarships; and

“(2) account for funds received under subsection (a) separately from other funds in the National Service Trust.

“(e) EXPENDITURES FROM NATIONAL SERVICE TRUST.—Funds received under subsection (a) shall be available to provide a senior service scholarship to a senior volunteer eligible under section 199S in an amount as provided in section 199T.

“(f) DISBURSEMENT.—Within 30 days of receiving a request from the recipient that meets requirements to be set by the Corporation, the Corporation shall disburse the senior service scholarship to the recipient as authorized under subtitle D.

**“SEC. 199R. ELIGIBILITY TO RECEIVE A SENIOR SERVICE SCHOLARSHIP.**

“To be eligible to receive a senior service scholarship, an individual must—

“(1) successfully complete 500 hours of service in not more than 1 year in a mentoring, tutoring, or other program approved by the Corporation; and

“(2) be 55 years of age or older at the time the individual begins the period of 500 hours of service.

**“SEC. 199S. AMOUNT OF SENIOR SERVICE SCHOLARSHIP.**

“(a) IN GENERAL.—The amount of a senior service scholarship for 500 hours of service is \$1,000.

“(b) PRORATED AMOUNT.—If an individual serves at least 250 hours but is unable to complete 500 hours in a 1-year period for compelling personal circumstances as determined by the recipient organization, the amount of the senior service scholarship shall be proportional to the number of hours actually served.”.

**SEC. 1902. AMERICA'S PROMISE: THE ALLIANCE FOR YOUTH.**

Title I (42 U.S.C. 12511) is amended by adding at the end the following new subtitle:

## **“Subtitle K—America’s Promise: The Alliance for Youth**

**“SEC. 199AA. AUTHORITY TO PROVIDE ASSISTANCE.**

“Subject to the availability of appropriations for this purpose, the Corporation may make grants to America’s Promise: The Alliance for Youth to support its activities relating to mobilizing communities to ensure that young people become productive, responsible adults.

**“SEC. 199BB. ALLOWABLE COSTS.**

“Grant funds may be used to pay costs attributable to the development or operation of programs consistent with a grant award approved by the Corporation under section 199AA.

**“SEC. 199CC. CORPORATION'S CHIEF EXECUTIVE OFFICER AS EX OFFICIO MEMBER OF BOARD OF DIRECTORS.**

“The Corporation’s Chief Executive Officer may serve as an ex officio nonvoting member of the Board of Directors of America’s Promise: The Alliance for Youth.”.

## **Subtitle J—Amendments to Title III (Points of Light Foundation)**

**SEC. 1911. PURPOSE.**

Section 302 (42 U.S.C. 12661) is amended to read as follows:

**“SEC. 302. PURPOSE.**

“It is the purpose of this title—

“(1) to encourage every individual and every institution in the Nation to help solve critical social problems by volunteering time, energies, and services through community and volunteer service projects and initiatives;

“(2) to identify successful and promising community and volunteer service projects and initiatives, and to disseminate information, training, and technical assistance concerning such projects and initiatives to other communities in order to promote and sustain their adoption nationwide;

“(3) to discover and encourage new leaders and develop individuals and institutions that serve as strong examples of a commitment to serving others and to convince all people in the United States that a successful life includes serving others;

“(4) to encourage and facilitate the development of new volunteer centers in designated localities; and

“(5) to strengthen the aggregate infrastructure of our Nation’s volunteer centers in order to maximize recruitment, management, and retention.”.

**SEC. 1912. BOARD OF DIRECTORS.**

Section 303 (42 U.S.C. 12662) is amended—

(1) by redesignating subsection (b) as subsection (c); and

(2) by inserting after subsection (a) the following:

“(b) CORPORATION’S CHIEF EXECUTIVE OFFICER AS EX OFFICIO MEMBER OF BOARD OF DIRECTORS.—The Corporation’s Chief Executive Officer may serve as an ex officio nonvoting member of the Foundation’s Board of Directors.”.

**SEC. 1913. GRANTS TO THE FOUNDATION.**

Section 304 (42 U.S.C. 12663) is amended—

(1) in subsection (a), in the matter preceding paragraph (1), by striking “a department or agency in the executive branch” and all that follows through “the President—” and inserting “the Corporation—”; and

(2) by adding after subsection (b) the following new subsections:

“(c) ENDOWMENT.—

“(1) IN GENERAL.—Notwithstanding any other law, of the funds made available each fiscal year under sections 303 and 501(b), up to 25 percent may be used to establish or support an endowment fund, the corpus of which shall remain intact and the interest income from which shall be used to support activities described in this title, provided that the Foundation may invest the corpus and income only in federally insured bank savings accounts or comparable interest-bearing accounts, certificates of deposit, money market funds, mutual funds, obligations of the United States, or other market instruments and securities, but not in real estate investments.

“(2) END OF OPERATIONS.—The Chief Executive Officer shall obtain from the Foundation complete and accurate records of Federal funds deposited in an endowment established in accordance with paragraph (1). The corpus of such an endowment shall revert to the Treasury if the Chief Executive Officer determines that—

“(A) the Foundation has ceased operations; or

“(B) the Foundation is no longer capable of carrying out the activities described in section 302.

“(d) GRANTS TO SUPPORT COMMUNITY-BASED VOLUNTEER CENTERS.—From funds made available under section 303 and 501(b), the Foundation may make grants to—

“(1) community-based organizations for the purpose of facilitating the development of volunteer centers; and

“(2) community-based volunteer centers to support their ability to recruit, manage, and retain volunteers.”.

## Subtitle K—Amendments to Title V (Authorization of Appropriations)

**SEC. 1921. AUTHORIZATION OF APPROPRIATIONS.**

Section 501 (42 U.S.C. 12681) is amended to read as follows:

**“SEC. 501. AUTHORIZATION OF APPROPRIATIONS.**

“(a) TITLE I.—

“(1) SUBTITLE B.—

“(A) IN GENERAL.—There are authorized to be appropriated to provide financial assistance under subtitle B of title I, \$55,000,000 for fiscal year 2003, \$58,000,000 for fiscal year 2004, \$61,000,000 for fiscal year 2005,

\$65,000,000 for fiscal year 2006, and such sums as may be necessary for fiscal year 2007.

“(B) PROGRAMS.—Of the amount appropriated under subparagraph (A) for a fiscal year—

“(i) not more than 50 percent shall be available to provide financial assistance under part I of subtitle B of title I;

“(ii) not more than 25 percent shall be available to provide financial assistance under part II of such subtitle; and

“(iii) not less than 25 percent shall be available to provide financial assistance under part III of such subtitle.

“(2) SUBTITLES C, D, AND H.—

“(A) IN GENERAL.—There are authorized to be appropriated to provide financial assistance under subtitles C and H of title I, to administer the National Service Trust and disburse national service educational awards and scholarships under subtitle D of title I, and to carry out such audits and evaluations as the Chief Executive Officer or the Inspector General of the Corporation may determine to be necessary, \$415,000,000 for fiscal year 2003, and such sums as may be necessary for fiscal years 2004 through 2007.

“(B) PROGRAMS.—Of the amount appropriated under subparagraph (A) for a fiscal year, up to 15 percent shall be made available to provide financial assistance under section 125, under subsections (b) and (c) of section 126, and under subtitle H of title I.

“(C) SUBTITLE C.—Of the amount appropriated under subparagraph (A) for fiscal year 2003, not more than \$315,000,000 shall be made available to provide financial assistance under section 121 of subtitle C of title I.

“(3) SUBTITLE E.—There are authorized to be appropriated to operate the Civilian Community Corps and provide financial assistance under subtitle E of title I, \$30,000,000 for fiscal year 2003 and such sums as may be necessary for each of the fiscal years 2004 through 2007.

“(4) SUBTITLE J (SENIOR SERVICE SCHOLARSHIPS PROGRAM).—There are authorized to be appropriated to provide financial assistance under subtitle J of title I \$12,000,000 for fiscal year 2003 and such sums as may be necessary for each of fiscal years 2004 through 2007.

“(5) SUBTITLE K (AMERICA’S PROMISE).—There are authorized to be appropriated to provide financial assistance under subtitle K of title I \$7,500,000 for fiscal year 2003 and such sums as may be necessary for each of fiscal years 2004 through 2007.

“(6) ADMINISTRATION.—

“(A) IN GENERAL.—There are authorized to be appropriated for the administration of this Act, including financial assistance under section 126(a), \$34,000,000 for fiscal year 2003 and such sums as may be necessary for each of fiscal years 2004 through 2007.

“(B) CORPORATION.—Of the amounts appropriated under subparagraph (A) for a fiscal year—

“(i) up to 60 percent shall be made available to the Corporation for the administration of this Act; and

“(ii) the remainder shall be available to provide financial assistance under section 126(a).

“(b) TITLE III.—There are authorized to be appropriated to carry out title III \$10,000,000 for fiscal year 2003 and such sums as may be necessary for each of fiscal years 2004 through 2007.

“(c) AVAILABILITY OF APPROPRIATIONS.—Funds appropriated under this section shall remain available until expended.”.

## **TITLE II—AMENDMENTS TO THE DOMESTIC VOLUNTEER SERVICE ACT OF 1973**

### **SEC. 2001. REFERENCES.**

Except as otherwise specifically provided, whenever in this title an amendment or repeal is expressed in terms of an amendment to, or repeal of a provision, the reference shall be considered to be made to a provision of the Domestic Volunteer Service Act of 1973 (42 U.S.C. 4950 et seq.).

## Subtitle A—Amendments to Title I (National Volunteer Antipoverty Programs)

### SEC. 2101. PURPOSE.

Section 2(b) (42 U.S.C. 4950(b)) is amended by striking “local agencies” and inserting “local agencies, expand relationships with, and support for, the efforts of civic, community, and educational organizations,”.

### SEC. 2102. PURPOSE OF THE VISTA PROGRAM.

Section 101 (42 U.S.C. 4951) is amended—

- (1) in the second sentence, by striking “afflicted with” and inserting “affected by”; and
- (2) in the third sentence, by striking “local level” and all that follows and inserting “local level, to support efforts by local agencies and organizations to achieve long-term sustainability of projects initiated or expanded under the VISTA program activities, and to strengthen local agencies and community organizations to carry out the purpose of this part, consistent with the provisions of section 187 of the National and Community Service Act of 1990.”.

### SEC. 2103. APPLICATIONS.

Section 103 (42 U.S.C. 4953) is amended—

- (1) in subsection (a)(2)—
  - (A) by striking “handicapped” and inserting “disabled”; and
  - (B) by striking “handicaps” and inserting “disabilities”;
- (2) in subsection (b)(1), by striking “recruitment and placement procedures” and inserting “recruitment and placement procedures that involve sponsoring organizations and”;
- (3) in subsection (c)—
  - (A) in paragraph (1)—
    - (i) in the matter preceding subparagraph (A), by striking “personnel described in subsection (b)(2)(C)” and inserting “personnel described in subsection (b)(2)(C) and sponsoring organizations”; and
    - (ii) in subparagraph (F), by striking “National and Community Service Trust Act of 1993” and inserting “National and Community Service Act of 1990”; and
  - (B) in paragraph (3), by striking “this subsection” and inserting “this subsection and related public awareness and recruitment activities under the national service laws”;
- (4) in subsection (g) by striking “and has been submitted to the Governor” and all that follows and inserting a period; and
- (5) by adding at the end the following:
 

“(i) The Director may enter into agreements under which public and private non-profit organizations with sufficient financial capacity and size pay for all or a portion of the costs of supporting the service of volunteers under this title, consistent with the provisions of section 187 of the National and Community Service Act of 1990.”.

### SEC. 2104. TERMS AND PERIODS OF SERVICE.

Section 104 (42 U.S.C. 4954) is amended—

- (1) by striking subsection (a) and inserting the following:
 

“(a)(1) Except as provided in paragraphs (2) through (4), volunteers serving under this part shall be required to make a full-time personal commitment to combating poverty and poverty-related problems. To the maximum extent practicable, the requirement for full-time commitment shall include a commitment to live among and at the economic level of the people served, and to remain available for service without regard to regular working hours, at all times during their periods of service, except for authorized periods of leave.
- “(2) The requirements in paragraph (1) shall not apply to up to 25 percent of volunteers enrolled in fiscal year 2003 and up to 50 percent of volunteers enrolled in fiscal year 2004.
- “(3) Not later than September 30, 2004, the General Accounting Office shall submit a report to Congress on whether the changes provided in paragraph (2) have had a material and adverse effect on the ability of the VISTA program to combat poverty and poverty-related problems, such as increased attrition rates among volunteers and difficulties in recruiting volunteers.
- “(4) Unless the report described in paragraph (3) concludes that the changes provided in paragraph (2) have caused a material and adverse effect on the ability of the VISTA program to combat poverty and poverty-related problems, the require-

ments in paragraph (1) shall not apply to up to 75 percent of volunteers enrolled in fiscal year 2005 and up to 100 percent of volunteers enrolled in fiscal year 2006 and thereafter.”;

(2) in subsection (b)(2), by striking “if the Director determines” and all that follows and inserting “if they are enrolled in a term of service of at least 1,700 hours for which the requirements of subsection (a)(1) do not apply.”; and

(3) in subsection (d)—

(A) in the first sentence, by striking “with the terms and conditions of their service.” and inserting “with the terms and conditions of their service or any adverse action, including termination, proposed by the sponsoring organization. The procedure shall provide for an appeal to the Director of any proposed termination.”; and

(B) in the third sentence (as amended by this section), by striking “and the terms and conditions of their service”.

**SEC. 2105. SECTIONS REPEALED.**

Sections 109 and 124 (42 U.S.C. 4959) and the items relating to such sections in the table of contents are repealed.

**SEC. 2106. UNIVERSITY YEAR FOR VISTA PROGRAM.**

Section 111(b) (42 U.S.C. 4971(b)) is amended in the third sentence by striking “agencies, institutions, and situations” and inserting “agencies and institutions, including civic, community, and educational organizations,”.

**SEC. 2107. CONFORMING AMENDMENT.**

Section 121 is amended in the second sentence by striking “agencies, institutions, and situations” and inserting “agencies and institutions, including civic, community, and educational organizations”.

## **Subtitle B—Amendments to Title II (National Senior Volunteer Corps)**

**SEC. 2201. CHANGE IN NAME.**

Title II (42 U.S.C. 5000 et seq.) is amended in the title heading by striking “NATIONAL SENIOR VOLUNTEER CORPS” and inserting “NATIONAL SENIOR SERVICE CORPS”.

**SEC. 2202. PURPOSE.**

Section 200 (42 U.S.C. 5000) is amended to read as follows:

**“SEC. 200. STATEMENT OF PURPOSE.**

“It is the purpose of this title to provide—

“(1) opportunities for senior service to meet unmet local, State, and national needs in the areas of education, public safety, health and human needs, and the environment;

“(2) for the National Senior Service Corps, comprised of the Retired and Senior Volunteer Program, the Foster Grandparent Program, and the Senior Companion Program, and demonstration and other programs to empower older individuals to contribute to their communities through service, enhance the lives of those who serve and those whom they serve, and provide communities with valuable services;

“(3) opportunities for people 55 years of age or older, through the Retired and Senior Volunteer Program, to share their experiences, abilities, and skills for the betterment of their communities and themselves;

“(4) opportunities for people 55 years of age or older, through the Foster Grandparents Program, to have a positive impact on the lives of children in need;

“(5) opportunities for people 55 years of age or older, through the Senior Companion Program, to provide critical support services and companionship to adults at risk of institutionalization and who are struggling to maintain a dignified independent life; and

“(6) for research, training, demonstration, and other program activities to increase and improve opportunities for seniors to meet unmet needs, including those related to emergency preparedness, public safety, public health, and disaster relief, in their communities.”.

**SEC. 2203. GRANTS AND CONTRACTS FOR VOLUNTEER SERVICE PROJECTS.**

Section 201 (42 U.S.C. 5001) is amended—

(1) in subsection (a), in the matter preceding paragraph (1), by striking “avail themselves of opportunities for volunteer service in their community” and inserting “share their experiences, abilities, and skills for the betterment of their communities and themselves”;

(2) in paragraph (2), by striking “, and individuals 60 years of age or older will be given priority for enrollment,”;

(3) by striking subsection (c); and

(4) by redesignating subsection (d) as subsection (c).

**SEC. 2204. FOSTER GRANDPARENT PROGRAM GRANTS.**

Section 211 (42 U.S.C. 5011) is amended—

(1) in subsection (a), by striking “low-income persons aged sixty or over” and inserting “low-income and other persons aged 55 or over”;

(2) in subsection (b)—

(A) in paragraph (1)—

(i) in the matter preceding subparagraph (A), by striking “shall have the exclusive authority to determine, pursuant to the provisions of paragraph (2) of this subsection—” and inserting “may determine—”;

(ii) in subparagraph (A), by striking “and”;

(iii) in subparagraph (B), by striking the period and inserting “; and”;

and

(iv) by adding after subparagraph (B) the following:

“(C) whether it is in the best interests of a child receiving, and of a particular foster grandparent providing, services in such a project, to continue such relationship after the child reaches the age of 21, if such child was receiving such services prior to attaining the age of 21.”;

(B) by striking paragraph (2); and

(C) by redesignating paragraph (3) as paragraph (2);

(3) in paragraph (2) (as redesignated by this section), by striking “paragraphs (1) and (2)” and inserting “paragraph (1)”;

(4) by adding after paragraph (2) (as redesignated by this section) the following:

“(3) If an assignment of a foster grandparent is suspended or discontinued, the replacement of that foster grandparent shall be determined through the mutual agreement of all parties involved in the provision of services to the child.”;

(5) in subsection (d)—

(A) in the first sentence, by striking “low-income persons serving as volunteers under this part, such allowances, stipends, and other support” and inserting “low-income persons and persons eligible under subsection (h) serving as volunteers under this part, such allowances or stipends”; and

(B) by striking the second sentence and all that follows and inserting the following: “Any stipend or allowance provided under this part shall not exceed 75 percent of the minimum wage under the Fair Labor Standards Act of 1938 (29 U.S.C. 201 et seq.), with the Federal share not to exceed \$2.65 per hour, provided that the Director shall adjust the Federal share once prior to December 31, 2007, to account for inflation.”;

(6) in subsection (e)(1), by striking “125” and inserting “200”;

(7) by striking subsection (f) and inserting:

“(f)(1) Subject to the restrictions in paragraph (3), individuals who are not low-income persons may serve as volunteers under this part. The regulations issued by the Director to carry out this part (other than regulations relating to stipends or allowances to individuals authorized by subsections (d) and (h)) shall apply to all volunteers under this part, without regard to whether such volunteers are eligible to receive a stipend or allowance under subsection (d) or (h).

“(2) Except as provided under paragraph (1), each recipient of a grant or contract to carry out a project under this part shall give equal treatment to all volunteers who participate in such project, without regard to whether such volunteers are eligible to receive a stipend or allowance under subsection (d) or (h).

“(3) An individual who is not a low-income person may not become a volunteer under this part if allowing that individual to become a volunteer under this part would prevent a low-income person from becoming a volunteer under this part or would displace a low-income person from being a volunteer under this part.”; and

(8) by adding at the end the following new subsections:

“(g) The Director may also provide a stipend or allowance in an amount not to exceed 10 percent more than the amount established under subsection (d) to leaders who, on the basis of past experience as volunteers, special skills, and demonstrated leadership abilities, may coordinate activities, including training, and otherwise support the service of volunteers under this part.



“(h) The Director may provide payments under subsection (d) for up to 15 percent of volunteers serving in a project under this part for a fiscal year who do not meet the definition of ‘low-income’ under subsection (e), upon certification by the recipient of a grant or contract that it is unable to effectively recruit and place low-income volunteers in the number of placements approved for the project.”.

**SEC. 2205. SENIOR COMPANION PROGRAM GRANTS.**

Section 213 (42 U.S.C. 5013) is amended—

(1) in subsection (a), by striking “low-income persons aged 60 or over” and inserting “low-income and other persons aged 55 or over”;

(2) in subsection (b), by striking “Subsections (d), (e), and (f)” and inserting “Subsections (d) through (h)”;

(3) by striking subsection (c)(2)(B) and inserting the following:

“(B) Senior companion volunteer trainers and leaders may receive a stipend or allowance consistent with subsection (g) authorized under subsection (d) of section 211, as approved by the Director.”.

**SEC. 2206. TECHNICAL AMENDMENTS.**

(a) CHANGE IN AGE ELIGIBILITY.—Section 223 (42 U.S.C. 5023) is amended by striking “sixty years and older” and inserting “55 years and older”.

(b) NAME CHANGE.—Section 224 (42 U.S.C. 5024) is amended in the heading by striking “VOLUNTEER” and inserting “SERVICE”.

**SEC. 2207. PROGRAMS OF NATIONAL SIGNIFICANCE.**

Section 225 (42 U.S.C. 5025) is amended—

(1) in subsection (a)(1), by striking “With not less than one-third of the funds made available” and inserting “With funds made available”;

(2) in subsection (b), by adding after paragraph (18) the following:

“(19) Programs that strengthen community efforts in support of homeland security.”.

**SEC. 2208. ADDITIONAL PROVISIONS.**

Title II (42 U.S.C. 5000 et seq.) is amended by adding after section 227 the following new sections:

**“SEC. 228. PARTICIPATION REGARDLESS OF INCOME LEVEL.**

“(a) GENERAL.—Participation in programs and activities under this title shall be open to seniors regardless of income level.

“(b) PARTICIPATION OF LOW-INCOME INDIVIDUALS ENCOURAGED.—Notwithstanding subsection (a), the Corporation shall take appropriate steps, including conducting outreach at the national level and requiring measures at the local level, to ensure the inclusion of low-income persons in programs and activities authorized under this title.

**“SEC. 229. CONTINUITY OF SERVICE.**

“To ensure the continued service of individuals in communities served by Retired and Senior Volunteer programs, Foster Grandparent programs, and Senior Companion programs prior to enactment of this section, in making grants under this title the Corporation shall take actions it considers necessary to maintain service assignments for such seniors and to ensure continuity of service for communities.

**“SEC. 229A. TRAINING AND RESEARCH.**

“From funds appropriated each fiscal year to carry out subtitle II, the Corporation may reserve up to \$10,000,000 to support research and training designed to improve the effectiveness of programs supported under subtitle II.”.

## Subtitle C—Amendments to Title IV (Administration and Coordination)

**SEC. 2301. NONDISPLACEMENT.**

Section 404(a) is amended by striking “displacement of employed workers” and inserting “displacement of employed workers or volunteers (other than participants under the national service laws)”.

**SEC. 2302. DEFINITIONS.**

Section 421 (42 U.S.C. 5061) is amended—

(1) in paragraph (13), by striking “National Senior Volunteer Corps” and inserting “National Senior Service Corps”;

(2) in paragraph (14)—

- (A) by striking “National Senior Volunteer Corps” and inserting “National Senior Service Corps”; and
- (B) by striking “parts A, B, C, and E of”;

**SEC. 2303. PROTECTION AGAINST IMPROPER USE.**

Section 425 (42 U.S.C. 5065) is amended by striking “National Senior Volunteer Corps” and inserting “National Senior Service Corps”.

**SEC. 2304. INCOME VERIFICATION.**

Title IV is amended by adding after section 425 the following new section:

**“SEC. 426. INCOME VERIFICATION.**

“Each organization that receives assistance under this Act may verify the income eligibility of volunteers based on a confidential declaration of income and with no requirements for verification.”.

**SEC. 2305. SECTIONS REPEALED.**

Sections 412 and 416 (42 U.S.C. 5052 and 5056), and the items relating to such sections in the table of contents contained in section 1(b), are repealed.

## **Subtitle D—Amendments to Title V (Authorization of Appropriations)**

**SEC. 2401. AUTHORIZATION OF APPROPRIATIONS FOR VISTA AND OTHER PURPOSES.**

Section 501 (42 U.S.C. 5081) is amended—

(1) in subsection (a)—

(A) in paragraph (1), by striking “, excluding section 109” and all that follows and inserting “\$90,000,000 for fiscal year 2003 and such sums as may be necessary for each of the fiscal years 2004 through 2007.”;

(B) by striking paragraphs (2) and (4) and redesignating paragraphs (3) and (5) as paragraphs (2) and (3); and

(C) in paragraph (2) (as redesignated by this section), by striking “, excluding section 125” and all that follows and inserting “\$5,000,000 for fiscal year 2003 and such sums as may be necessary for each of the fiscal years 2004 through 2007.”; and

(2) by striking subsection (e).

**SEC. 2402. AUTHORIZATION OF APPROPRIATIONS FOR NATIONAL SENIOR SERVICE CORPS.**

Section 502 (42 U.S.C. 5082) is amended to read as follows:

**“SEC. 502. NATIONAL SENIOR SERVICE CORPS.**

“(a) RETIRED AND SENIOR VOLUNTEER PROGRAM.—There are authorized to be appropriated to carry out part A of title II, \$58,884,000 for fiscal year 2003 and such sums as may be necessary for each of the fiscal years 2004 and 2007.

“(b) FOSTER GRANDPARENT PROGRAM.—There are authorized to be appropriated to carry out part B of title II, \$110,000,000 for fiscal year 2003 and such sums as may be necessary for each of the fiscal years 2004 and 2007.

“(c) SENIOR COMPANION PROGRAM.—There are authorized to be appropriated to carry out part C of title II, \$46,563,000 for fiscal year 2003 and such sums as may be necessary for each of the fiscal years 2004 and 2007.

“(d) DEMONSTRATION PROGRAMS.—There are authorized to be appropriated to carry out part E of title II, \$400,000 for fiscal year 2003 and such sums as may be necessary for each of the fiscal years 2004 through 2007.”.

**SEC. 2403. ADMINISTRATION AND COORDINATION.**

Section 504 (42 U.S.C. 5084) is amended to read as follows:

**“SEC. 504. ADMINISTRATION AND COORDINATION.**

“There are authorized to be appropriated for the administration of this Act \$33,568,000 for fiscal year 2003 and such sums as may be necessary for each of fiscal years 2004 through 2007.”.

## **TITLE III—AMENDMENTS TO OTHER LAWS**

**SEC. 3101. INSPECTOR GENERAL ACT.**

Section 8E(a)(1) of the Inspector General Act (5 U.S.C. App.) is amended by striking “National and Community Service Trust Act of 1993” and inserting “National and Community Service Act of 1990”.

## TITLE IV—TECHNICAL AMENDMENTS TO TABLES OF CONTENTS

### SEC. 4101. TABLE OF CONTENTS FOR THE NATIONAL AND COMMUNITY SERVICE ACT OF 1990.

Section 1(b) of the National and Community Service Act of 1990 (42 U.S.C. 12501, note) is amended to read as follows:

“(b) TABLE OF CONTENTS.—The table of contents is as follows:

“Sec. 1. Short title and table of contents.

“Sec. 2. Findings and purpose.

#### “TITLE I—NATIONAL AND COMMUNITY SERVICE GRANT PROGRAM

##### “Subtitle A—General Provisions

“Sec. 101. Definitions.

“Sec. 102. Authority to make State grants.

##### “Subtitle B—Service Learning Programs

##### “PART I—SERVE-AMERICA PROGRAMS

“Sec. 111. Assistance to States and Indian tribes.

“Sec. 112. Allotments.

“Sec. 113. Applications.

“Sec. 114. Consideration of applications.

“Sec. 115. Federal, State, and local contributions.

“Sec. 116. Limitations on uses of funds.

##### “PART II—HIGHER EDUCATION INNOVATIVE PROGRAMS FOR COMMUNITY SERVICE

“Sec. 119. Higher education innovation programs for community service.

##### “PART III—COMMUNITY-BASED PROGRAMS, TRAINING, AND INITIATIVES

“Sec. 120. Community-based programs, training, and other initiatives.

##### “PART IV—CLEARINGHOUSE

“Sec. 120A. Service-learning clearinghouse.

##### “Subtitle C—National Service Trust Programs

##### “PART I—INVESTMENT IN NATIONAL SERVICE

“Sec. 121. Authority to provide assistance and approved national service positions.

“Sec. 122. Types of national service programs eligible for program assistance.

“Sec. 123. Types of national service positions eligible for approval for national service educational awards.

“Sec. 124. Types of program assistance.

“Sec. 125. Training and technical assistance.

“Sec. 126. Other special assistance.

##### “PART II—APPLICATION AND APPROVAL PROCESS

“Sec. 129. Provision of assistance and approved national service positions.

“Sec. 129A. Pilot authority for member-based national service positions.

“Sec. 129B. Education awards program.

“Sec. 129C. Fixed amount grants.

“Sec. 130. Application for assistance and approved national service positions.

“Sec. 131. National service program assistance requirements.

“Sec. 132. Ineligible service categories.

“Sec. 133. Consideration of applications.

##### “PART III—NATIONAL SERVICE PARTICIPANTS

“Sec. 137. Description of participants.

“Sec. 138. Selection of national service participants.

“Sec. 139. Terms of service.

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##### “Subtitle D—National Service Trust and Provision of National Service Educational Awards

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##### “Subtitle E—National Civilian Community Corps

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“Sec. 152. Establishment of Civilian Community Corps program.

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“Sec. 154. Summer national service program.

“Sec. 155. Civilian Community Corps.

“Sec. 156. Training.

“Sec. 157. Service projects.

“Sec. 158. Authorized benefits for Corps members.

“Sec. 159. Administrative provisions.

- “Sec. 160. Status of Corps members and Corps personnel under Federal law.
- “Sec. 161. Contract and grant authority.
- “Sec. 162. Responsibilities of other departments.
- “Sec. 164. Annual evaluation.
- “Sec. 166. Definitions.
- “Sec. 167. Emergency Response Corps.

“Subtitle F—Administrative Provisions

- “Sec. 171. Family and medical leave.
- “Sec. 172. Reports.
- “Sec. 173. Supplementation.
- “Sec. 174. Prohibition on use of funds.
- “Sec. 175. Nondiscrimination.
- “Sec. 176. Notice, hearing, and grievance procedures.
- “Sec. 177. Nonduplication and nondisplacement.
- “Sec. 178. State Commissions on National and Community Service.
- “Sec. 179. Evaluation.
- “Sec. 180. Engagement of participants.
- “Sec. 181. Contingent extension.
- “Sec. 182. Partnerships with schools.
- “Sec. 183. Rights of access, examination, and copying.
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- “Sec. 189A. Expenses of attending meetings.
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- “Sec. 189D. Generation of volunteers.
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“Subtitle G—Corporation for National and Community Service

- “Sec. 191. Corporation for National and Community Service.
- “Sec. 192. Board of Directors.
- “Sec. 192A. Authorities and duties of the Board of Directors.
- “Sec. 193. Chief Executive Officer.
- “Sec. 193A. Authorities and duties of the Chief Executive Officer.
- “Sec. 194. Officers.
- “Sec. 195. Employees, consultants, and other personnel.
- “Sec. 196. Administration.
- “Sec. 196A. Corporation State offices.

“Subtitle H—Investment for Quality and Innovation

- “Sec. 198. Additional corporation activities to support national service.
- “Sec. 198A. Clearinghouses.
- “Sec. 198B. Presidential awards for service.
- “Sec. 198C. Military installation conversion demonstration programs.

“Subtitle I—American Conservation and Youth Corps

- “Sec. 199. Short title.
- “Sec. 199A. General authority.
- “Sec. 199B. Limitation on purchase of capital equipment.
- “Sec. 199C. State application.
- “Sec. 199D. Focus of programs.
- “Sec. 199E. Related programs.
- “Sec. 199F. Public lands or Indian lands.
- “Sec. 199G. Training and education services.
- “Sec. 199H. Preference for certain projects.
- “Sec. 199I. Age and citizenship criteria for enrollment.
- “Sec. 199J. Use of volunteers.
- “Sec. 199K. Living allowance.
- “Sec. 199L. Joint programs.
- “Sec. 199M. Federal and State employee status.

“Subtitle J—Senior Service Scholarships

- “Sec. 199N. Authority to provide assistance and Senior Service Scholarships.
- “Sec. 199O. Programs eligible for assistance.
- “Sec. 199P. Grants.
- “Sec. 199Q. Funds for Senior Service Scholarships.
- “Sec. 199R. Eligibility to receive a Senior Service Scholarship.
- “Sec. 199S. Amount of Senior Service Scholarship.

“Subtitle K—America’s Promise: The Alliance for Youth

- “Sec. 199AA. Authority to provide assistance.
- “Sec. 199BB. Allowable costs.
- “Sec. 199CC. Corporation’s Chief Executive Officer as ex officio member of board of directors.

“TITLE II—MODIFICATIONS OF EXISTING PROGRAMS

“Subtitle A—Publication

- “Sec. 201. Information for students.
- “Sec. 202. Exit counseling for borrowers.
- “Sec. 203. Department information on deferments and cancellations.
- “Sec. 204. Data on deferments and cancellations.

“Subtitle B—Youthbuild Projects

“Sec. 211. Youthbuild projects.

“Subtitle C—Amendments to Student Literacy Corps

“Sec. 221. Amendments to Student Literacy Corps.

“TITLE III—POINTS OF LIGHT FOUNDATION

“Sec. 301. Short title.

“Sec. 302. Findings and purposes.

“Sec. 303. Authority.

“Sec. 304. Grants to the Foundation.

“Sec. 305. Eligibility of the Foundation for grants.

“TITLE IV—PROJECTS HONORING VICTIMS OF TERRORIST ATTACKS

“Sec. 401. Projects.

“TITLE V—AUTHORIZATION OF APPROPRIATIONS

“Sec. 501. Authorization of appropriations.

“TITLE VI—MISCELLANEOUS PROVISIONS

“Sec. 601. Amtrak waste disposal.

“Sec. 602. Exchange program with countries in transition from totalitarianism to democracy.”.

**SEC. 4102. TABLE OF CONTENTS FOR THE DOMESTIC VOLUNTEER SERVICE ACT OF 1973.**

Section 1(b) of the Domestic Volunteer Service Act of 1973 (42 U.S.C. 4950 note) is amended to read as follows:

“(b) TABLE OF CONTENTS.—The table of contents is as follows:

“Sec. 1. Short title; table of contents.

“Sec. 2. Volunteerism policy.

“TITLE I—NATIONAL VOLUNTEERS ANTIPOVERTY PROGRAM

“PART A—VOLUNTEERS IN SERVICE TO AMERICA

“Sec. 101. Statement of purpose.

“Sec. 102. Authority to operate VISTA program.

“Sec. 103. Selection and assignment of volunteers.

“Sec. 104. Terms and periods of service.

“Sec. 105. Support service.

“Sec. 106. Participation of beneficiaries.

“Sec. 107. Participation of younger and older persons.

“Sec. 108. Limitation.

“Sec. 110. Applications for assistance.

“PART B—UNIVERSITY YEAR FOR VISTA

“Sec. 111. Statement of purpose.

“Sec. 112. Authority to operate University Year for VISTA program.

“Sec. 113. Special conditions.

“PART C—SPECIAL VOLUNTEERS PROGRAM

“Sec. 121. Statement of purpose.

“Sec. 122. Authority to establish and operate special volunteer and demonstration programs.

“Sec. 123. Technical and financial assistance.

“TITLE II—NATIONAL SENIOR SERVICE CORPS

“Sec. 200. Statement of purposes.

“PART A—RETIRED AND SENIOR VOLUNTEER PROGRAM

“Sec. 201. Grants and contracts for volunteer service projects.

“PART B—FOSTER GRANDPARENT PROGRAM

“Sec. 211. Grants and contracts for volunteer service projects.

“PART C—SENIOR COMPANION PROGRAM

“Sec. 213. Grants and contracts for volunteer service projects.

“PART D—GENERAL PROVISIONS

“Sec. 221. Promotion of National Senior Volunteer Corps.

“Sec. 222. Payments.

“Sec. 223. Minority group participation.

“Sec. 224. Use of locally generated contributions in National Senior Volunteer Corps.

“Sec. 225. Programs of national significance.

“Sec. 226. Adjustments to Federal financial assistance.

“Sec. 227. Multiyear grants or contracts.

“Sec. 228. Participation regardless of income level.

“Sec. 229. Continuity of service.

“Sec. 229A. Training and research.

“PART E—DEMONSTRATION PROGRAMS

“Sec. 231. Authority of Director.

“TITLE IV—ADMINISTRATION AND COORDINATION

“Sec. 403. Political activities.

“Sec. 404. Special limitations.  
 “Sec. 406. Labor standards.  
 “Sec. 408. Joint funding.  
 “Sec. 409. Prohibition of Federal control.  
 “Sec. 410. Coordination with other programs.  
 “Sec. 411. Prohibition.  
 “Sec. 414. Distribution of benefits between rural and urban areas.  
 “Sec. 415. Application of Federal law.  
 “Sec. 417. Nondiscrimination provisions.  
 “Sec. 418. Eligibility for other benefits.  
 “Sec. 419. Legal expenses.  
 “Sec. 421. Definitions.  
 “Sec. 422. Audit.  
 “Sec. 423. Reduction of paperwork.  
 “Sec. 424. Review of project renewals.  
 “Sec. 425. Protection against improper use.  
 “Sec. 426. Income verification.

“TITLE V—AUTHORIZATION OF APPROPRIATIONS

“Sec. 501. National volunteer antipoverty programs.  
 “Sec. 502. National Senior Service Corps.  
 “Sec. 504. Administration and coordination.  
 “Sec. 505. Availability of appropriations.

“TITLE VI—AMENDMENTS TO OTHER LAWS AND REPEALERS

“Sec. 601. Supersedence of Reorganization Plan No. 1 of July 1, 1971.  
 “Sec. 602. Creditable service for civil service retirement.  
 “Sec. 603. Repeal of title VIII of the Economic Opportunity Act.  
 “Sec. 604. Repeal of title VI of the Older Americans Act.”.

## **TITLE V—EFFECTIVE DATE AND SENSE OF CONGRESS**

### **SEC. 5101. EFFECTIVE DATE.**

Unless specifically provided otherwise, the amendments made by this Act shall take effect on the date of enactment.

### **SEC. 5102. SERVICE ASSIGNMENTS AND AGREEMENTS.**

(a) **SERVICE ASSIGNMENTS.**—Changes pursuant to this Act in the terms and conditions of terms of service and other service assignments under the national service laws (including the amount of the education award) shall apply only to individuals who enroll or otherwise begin service assignments after 90 days after the date of enactment of this Act, except when agreed upon by all interested parties.

(b) **AGREEMENTS.**—Changes pursuant to this Act in the terms and conditions of grants, contracts, or other agreements under the national service laws shall apply only to such agreements entered into after 90 days after the date of enactment of this Act, except when agreed upon by the parties to such agreements.

### **SEC. 5103. SENSE OF CONGRESS.**

It is the sense of Congress that the Corporation should, in all of its communications, distinguish individuals receiving stipends from volunteers by—

- (1) referring to participants in AmeriCorps under the National and Community Service Act as “members”;
- (2) referring to participants in the Foster Grandparents program as “Foster Grandparents”; and
- (3) referring to participants in the Senior Companions program as “Senior Companions”.

### **SEC. 5104. RECRUITMENT AND APPLICATION MATERIALS IN LANGUAGES OTHER THAN ENGLISH.**

It is the sense of Congress that the programs established or authorized by this Act, and those which receive funding under the National and Community Service Act of 1990 (42 U.S.C. 12501 et seq.) or the Domestic and Volunteer Service Act of 1973 (42 U.S.C. 4950 et seq.) (as amended by this Act) are encouraged to provide recruitment and application materials in languages other than English, if applicable, in order to serve communities of limited English proficiency, and that such programs may use such funding to provide and distribute such materials.

## **PURPOSE**

The major federally funded community service and volunteer programs in this country are authorized under two statutes: the National and Community Service Act and the Domestic Volunteer Service Act. H.R. 4854, the Citizen Service Act of 2002, reauthor-

izes these national service laws through fiscal year 2007. The purposes of H.R. 4854 are to reform and strengthen programs under the Corporation for National and Community Service; implement first-time accountability measures for grantees under the national service laws, and make the Corporation for National and Community Service an effect outlet for leveraging volunteers and community service activities among the many service organizations across the country.

#### COMMITTEE ACTION

##### SUBCOMMITTEE HEARINGS

On Thursday, April 11, 2002, the Subcommittee on Select Education held a hearing in Washington, D.C. on "The Corporation for National and Community Service." The purpose of this hearing was to discuss the Administration's "Principles and Reforms for a Citizen Service Act" as announced by President Bush on April 9, 2002, to guide the reauthorization of programs under the Corporation for National and Community Service. Dr. Leslie Lenkowsky, CEO for the Corporation for National and Community Service in Washington, D.C. and Mr. Alan Khazei, CEO for City Year in Boston, Massachusetts testified before the Subcommittee.

On Thursday, April 25, 2002, the Subcommittee on Select Education held a hearing in Washington, D.C. on "Citizen Service in the 21st Century." The purpose of this hearing was to discuss H.R. 3465, the Call to Service Act of 2001; review other service initiatives such as Volunteer Muskegon and the Alliance for Catholic Education; and to discuss issues related to the reauthorization of programs under the Corporation for National and Community Service. Representatives Christopher Shays (R-CT), Tom Osborne (R-NE), and Harold Ford (D-TN) testified on the first panel and Ms. Martha Bottomley, Executive Director for Volunteer Muskegon in Muskegon, Michigan and Reverend Timonthy Scully, Executive Vice President, University of Notre Dame in Notre Dame, Indiana testified before the Subcommittee on the second panel.

##### LEGISLATIVE ACTION

On May 24, 2002, Representatives Pete Hoekstra (R-MI), and Tim Roemer (D-IN) introduced H.R. 4854, the Citizens Service Act of 2002, a bipartisan bill to reauthorize and reform the national service laws through fiscal year 2007.

On June 5, 2002, the Subcommittee on Select Education considered H.R. 4854 in legislative session and reported it favorably, as amended, to the Committee on Education and the Workforce by voice vote. The Subcommittee considered two amendments:

- The Subcommittee adopted, by voice vote, a bipartisan substitute amendment offered by Representative Pete Hoekstra (R-MI) and Tim Roemer (D-IN). Specifically, the substitute amendment adopted by the Subcommittee: (1) makes technical and typographical corrections to the legislation; (2) limits the federal share of any higher education service-learning program to 50 percent (consistent with school-based and community-based service-learning programs); (3) ensures that higher education service-learning program applications contain an assurance that applicants will comply with nonduplication, nondisplacement, and grievance proce-

dures under the national service laws (consistent with school-based and community-based service-learning programs); (4) maintains a current law provision that ensures that any program participant has received a high school diploma or its equivalent, agrees to obtain a high school diploma or its equivalent, and did not drop out of an elementary or secondary school to enroll in the program; and (5) repeals outdated references and demonstration programs.

- The Subcommittee also adopted, by voice vote, an amendment offered by Representative Roemer (D-IN) to retain current law provisions that provide VISTA participants with federal employee status and benefits for certain purposes including retirement and workers compensation.

On June 12, 2002, the Committee on Education and the Workforce considered H.R. 4854 in legislative session and reported it favorably, as amended, to the House of Representatives by voice vote. The Committee considered two amendments:

- The Committee adopted, by voice vote, a substitute amendment offered by Representative Pete Hoekstra (R-MI). Specifically, the substitute amendment adopted by the Committee: (1) makes technical and typographical corrections to the legislation; (2) provides for a trigger for new funding allocations under the AmeriCorps Grants program that ensures the fiscal year 2002 funding level for State competitive programs is maintained; (3) clarifies the hierarchy of “team leaders” and “units” within the National Civilian Community Corps (NCCC); (4) ensures that AmeriCorps participants who receive a living allowance do not displace unpaid volunteers under national service programs; (5) clarifies that programs are not required to refer individuals to federal or State assistance programs; (6) adds new statutory language to ensure that the Corporation complies with applicable audit and reporting requirements as provided in the Chief Financial Officers Act of 1990 and the Government Corporation Control Act of 1945; (7) repeals the VISTA Literacy Challenge Grants program, which has been supplanted by AmeriCorps and AmeriCorps VISTA members who participate in educational projects; (8) includes language that discourages the Corporation from using the term “volunteer” when referring to members of participants that receive stipends or living allowances under the National and Community Service Act and the Senior Companions and Foster Grandparents program; and (9) includes authorizations for all programs under the Corporation for National and Community Service.

- The Committee also adopted, by voice vote, an en bloc amendment offered by Representative Osborne (R-NE) to ensure that underserved rural and urban areas and populations are considered for training and technical assistance activities. The en bloc amendment also included amendments offered by Representatives: (1) Keller (R-FL) to add mentoring activities to the allowable types of national service programs; (2) Miller (D-CA) to add grants for Volunteer Service Technology Programs to the allowable types of activities funded under the national service laws; (3) Solis (D-CA) to add a sense of Congress that programs under the national service laws are encouraged to provide recruitment and application materials in languages other than English in order to serve communities of limited English proficiency; (4) Andrews (D-NJ) to clarify that national service programs may assist in the placement, train-



ing, and recruitment of law enforcement, firefighter, rescue personnel, and disaster services trainees; and (5) Hoekstra (R-MI) to require grantees to report the amount and source of any federal funds used for living allowances other than those provided by the Corporation.

## SUMMARY

### NATIONAL AND COMMUNITY SERVICE ACT

*General Provisions.*—Broadens the scope of the purpose to: (1) expand and strengthen service-learning programs to improve the education of children and youth; (2) support efforts to make the nonprofit sector more effective in meeting the unmet human, educational, environmental, and public safety needs; and (3) assist in coordinating and strengthening federal and other citizen service opportunities.

*Service-Learning.*—Allocates not more than 50 percent for school-based formula programs, not more than 25 percent for higher education programs, and not less than 25 percent for community-based programs.

Consolidates the current law competitive and formula grant school-based programs into a single funding stream and authorizes the Corporation to award formula grants to State educational agencies to pay for the federal share of authorized service learning activities. State educational agencies are authorized to award competitive grants to local partnerships, which include local educational agencies and public or private nonprofit organizations.

Authorizes competitive grants for high quality school-based, community-based, and demonstration programs (including training).

Continues support for higher education service-learning programs and ensures special consideration will be given to applications submitted by Historically Black Colleges and Universities, Hispanic-Serving Institutions, and Tribal Colleges and Universities. Higher education institutions applying for funding would have to demonstrate compliance with the community service requirements established for the Federal Work Study Program under the Higher Education Act.

Continues the current law Service-Learning Clearinghouse to assist entities carrying out State or local service-learning programs with needs assessments and planning, and to conduct research and evaluations concerning service-learning.

Authorizes \$55 million for fiscal year 2003; \$58 million for fiscal year 2004; \$61 million for fiscal year 2005; \$65 million for fiscal year 2006; and such sums as necessary for fiscal year 2007.

*AmeriCorps Grants.*—Prohibits the Corporation from making grants to federal agencies.

Provides for additional types of programs eligible for AmeriCorps grants that include: (1) an E-Corps program that involves participants who provide service in a community by developing and assisting in carrying out technology programs; (2) a program that engages citizens in public safety, public health, disaster relief and preparedness, and the recruitment and placing of qualified participants in positions to be trainees as law enforcement officers and rescue personnel; and (3) a program that expands the number of young people with mentors.

Requires an AmeriCorps member who serves as a tutor in a program that involves elementary and secondary students to have at least a high school diploma (unless the tutor is a high school student) on a GED.

Requires literacy programs to be based on scientifically based reading research and ensures that programs provide instruction based on the essential components of reading instruction as defined in P.L. 107–110, the No Child Left Behind Act. Also requires that reading tutors operate programs based on the recommendations of the National Reading Panel and on research from the National Institute of Child Health and Human Development.

Requires the Corporation to establish requirements relating to the promotion of citizenship and civic engagement that are consistent with programs administered by the Immigration and Naturalization Service and ensures that any oath given under the national service laws is consistent with the principles of the federal oath of office.

Authorizes the use of the subtitle C funds to support training and technical assistance for all programs authorized under the national service laws. In providing training and technical assistance, the Corporation shall ensure the needs of underserved rural and urban areas and populations are addressed.

Provides that each State may receive a minimum of \$200,000 and a maximum of \$1 million per year to support the operation of its State commission on national and community service. Sets matching requirements on a sliding scale and modifies the requirements related to the preparation of a national and community service plan for each State to include approval by the CEO, measurable goals and outcomes, and identification of administrative requirements that may be waived by the Corporation in order to facilitate a State's ability to carry out the plan.

Expands the authority for challenge grants to include all programs authorized under the national service laws and increases the private match requirement to \$2 for each \$1 in federal funds after the initial 3-year grant period.

Allocates up to 20 percent of funds for national direct competitive grants; at least 35 percent of funds for State competitive grants; and 45 percent of funds for States by formula based on population. Provides for a trigger for new funding allocations under the AmeriCorps Grants program that ensures the fiscal year 2002 level for State competitive programs is maintained. Funding above the fiscal year 2002 level for State competitive programs would be reserved for national direct grants (up to 20 percent of total funds) and State formula programs (45 percent of total funds).

Authorizes the CEO of the Corporation to reserve funds to award grants to public or private nonprofit organizations to increase the participation of individuals with disabilities.

Authorizes the CEO of the Corporation to reserve funds to support pilot programs, such as member-based national service positions that allow participants to select community service activities.

Requires grantees to report the amount and source of any federal funds used for living allowances other than those provided by the Corporation.

Expands authority for the “education award program” and provides for a maximum grant for operational support of \$600 per member.

Authorizes AmeriCorps members to engage in capacity-building activities, including recruiting and managing volunteers (increasing the involvement and participation of traditional volunteers would be an explicit criterion to be considered in making awards under national service programs).

Authorizes \$315 million for the AmeriCorps Grants program for fiscal year 2003 and such sums as may be necessary for fiscal years 2004–2007.

*National Service Trust and Education Awards.*—Provides that funds in the National Service Trust may be used to support service-based scholarships to high school students and scholarships for senior service and permits an individual to receive no more than the aggregate value of two full-time educational awards.

Increases the amount of the education award to \$5,250 and authorizes it to be used to pay for attendance at educational institutions that meet the requirements of the Montgomery GI Bill as well as for educational expenses at institutions of higher education as defined by the Higher Education Act. Authorizes the education award to be disbursed directly to an individual with a disability to pay for education, training, or other work-related activities.

Authorizes \$65 million for fiscal year 2003 and such sums as may be necessary for fiscal years 2004–2007 for the National Service Trust. The National Service Trust must have sufficient funds to cover the costs of education awards and other scholarships authorized under the national service laws.

*National Civilian Community Corps (NCCC).*—Broadens the scope of the purpose to include disaster relief and authorizes higher education scholarships to participants in NCCC summer programs.

Provides for the use of NCCC members with prior supervisory experience as Team Leaders and allows Team Leaders to receive an additional 10 percent of the living allowance.

Provides authority to use subtitle E funds to make grants to support emergency response corps, including residential programs, that would respond to natural and other disasters and opportunities for participants to be trainees as law enforcement officers and rescue personnel.

Requires consultation with State commissions when conducting service activities within a State and repeals a separate advisory board established for the NCCC.

Authorizes \$30 million for fiscal year 2003 and such sums as may be necessary for fiscal years 2004–2007.

*Administrative Provisions.*—Prohibits funding for programs under the national service laws that only refer individuals to federal or State assistance programs.

Prohibits funding for sex education programs under the national service laws that do not meet the general prohibitions of P.L. 107–110, the No Child Left Behind Act.

Requires consultation with the parents of legal guardians of children when developing and operating programs that include and serve children and requires the provision of the reason for and permission of the children’s parents before transporting minor children (consistent with State law).

Adopts a uniform set of procedures governing suspension or termination of assistance under the national service laws and disputes about displacement under the national service laws and authorizes the Corporation to consolidate or modify application procedures and reporting requirements to promote efficiency and eliminate duplicative provisions.

Ensures that participants who receive a living allowance do not displace unpaid volunteers under national service programs.

Requires the Corporation to work with grantees to establish performance measures; requires grantees to design corrective plans if they fail to meet performance measures; and provides authority for the Corporation to reduce or terminate grants if corrections are not made. Authorize the Corporation to reserve 1 percent of funds to support program accountability.

Authorizes the Corporation to implement measures to promote sustainability among programs supported under the national service laws and authorizes participants in programs to Recruit and manage unpaid volunteers to increase the capacity of community-based organizations.

Authorizes a standard grant period of three years for programs funded under the national service laws.

Caps federal costs for programs under the national service laws at \$16,000 per member. Permits the CEO of the Corporation to issue a waiver to assist grantees in meeting compelling needs (up to \$18,000 for costs related to such things as the participation of individuals with disabilities and initial start-up costs for religious organizations and up to \$20,000 for residential programs). Requires the CEO of the Corporation to report to Congress annually on all waivers granted.

Requires the Corporation to ensure that a notice regarding religious nondiscrimination in hiring is included in all materials containing information regarding the application for assistance provided under the national service laws.

Adds new statutory language to ensure that the Corporation complies with applicable audit and reporting requirements as provided in the Chief Financial Officers Act of 1990 and the Government Corporation Control Act of 1945 and requires the Corporation to report to Congress any failure to comply with the requirements of such audits.

*Corporation for National and Community Service.*—Provides authority for the use of peer reviewers in evaluating applications under the national service laws.

Ensures that Corporation personnel may not serve as voting members of State commissions on national and community service.

Authorizes the Corporation to enter into personal services contracts for research, evaluation, and public awareness functions under the national service laws.

Authorizes the Corporation to accept donations of services in furtherance of the national service laws.

Authorizes \$34 million for program administration for fiscal year 2003 and such sums as may be necessary for fiscal years 2004–2007 (up to 60 percent shall be made available to the Corporation for the administration of this Act and the remainder shall be made available to State commissions on national and community service).

*Investment for Quality and Innovation.*—Improves the Corporation's ability to evaluate programs and to support efforts to improve the management of nonprofit and community organizations including those in underserved rural and urban areas.

Authorizes the CEO of the Corporation to award unsolicited discretionary grants, consistent with the national service laws (including accountability measures and general prohibitions) to support greater engagement of citizens in service and volunteerism.

Authorizes the Corporation to award grants to assist Internet volunteer recruiting entities to locate, promote, and match volunteers with local service and volunteer organizations.

Authorizes \$30 million for fiscal year 2003 and such sums as may be necessary for fiscal years 2004–2007.

*Senior Service Scholarships.*—Authorizes a senior scholarship to support tutoring, mentoring, and other service by seniors, who may receive a \$1,000 scholarship. States, Indian tribes, other public agencies, and nonprofit organizations are eligible to apply for grants under this subtitle.

Authorizes \$30 million for fiscal year 2003 and such sums as may be necessary for fiscal years 2004–2007 (\$12 million is authorized under this subtitle for the Corporation to provide up to \$600 in operational support per participant and \$18 million is reserved in the National Service Trust for the scholarships).

*America's Promise.*—Authorizes grants to America's Promise to support its activities relating to mobilizing communities to ensure that youth become productive, responsible adults.

Authorizes \$7.5 million for fiscal year 2003 and such sums as may be necessary for fiscal years 2004–2007.

*Points of Light Foundation.*—Broadens the purpose to include references to volunteer service and Volunteer Centers.

Authorizes the Foundation to use up to 25 percent of funds provided each year to support an endowment fund (the interest of which may be used to support authorized activities).

Authorizes the Foundation to make subgrants to support the development and ongoing work of Volunteer Centers.

Authorizes \$10 million for fiscal year 2003 and such sums as may be necessary for fiscal years 2004–2007.

#### DOMESTIC VOLUNTEER SERVICE ACT

*Volunteers in Service to America (VISTA).*—Retains current law that provides VISTA participants with federal employee status and benefits for certain purposes including retirement and workers compensation.

Increases flexibility in operational programming authority for issues such as weekly time commitment of participants, resolution of participant complaints, and funding community service projects. Phases in (over 4 years and with GAO review) changes to the current law term of service requirements that would allow participants greater flexibility in the amount of time they serve (under current law a 12-month commitment—that is 24 hours a day and 7 days a week—is required). Under these phased-in changes, VISTA projects can allow participants greater flexibility in off-duty hours to pursue personal activities during the period of service (such as higher education courses and part-time employment to supplement the living allowance).

Repeals the VISTA Literacy Corps and the VISTA Literacy Challenge Grants program, which have been supplanted by AmeriCorps and AmeriCorps VISTA members who participate in education projects.

Authorizes \$90 million for fiscal year 2003 and such sums as may be necessary for fiscal years 2004–2007.

*National Senior Service Corps.*—Broadens scope of purpose to add emphasis on community needs and research and provides that all Senior Corps programs are open to individuals 55 and older (current law is 60).

Provides that a stipend may be made available to a participant with an income that is up to 200 percent of poverty. Under current law the eligibility threshold is 125 percent of poverty, which is \$11,075 for a single person for 2002; the new 200 percent threshold would be \$17,720 (higher for couples, and adjusted upward in Alaska and Hawaii). The provision would also allow the Director to use up to 15 percent of funds for participants with incomes above 200 percent of poverty as long as the program, following innovative efforts to recruit, is not able to effectively recruit and place low-income participants. The prohibition on using federal funds to manage, train, and support over-income volunteers who want to participate in the program without receiving a stipend is removed. Seniors may self-certify income levels.

Continues authority to make grants to support the Retired and Senior Volunteer Program (RSVP), the Foster Grandparent program, and the Senior Companion program. Authorizes the Director to support Senior Corps leaders who, on the basis of past experience as volunteers, special skills, and demonstrated leadership abilities, may coordinate activities, including training, and otherwise support the service of volunteers.

Authorizes the Corporation to reserve up to \$10 million to support research and training related to Senior Corps.

Ensures continued service opportunities for individuals serving in Retired and Senior Volunteer programs, Foster Grandparent programs, and Senior Companion programs.

Authorizes \$58.8 million for RSVP, \$110 million for the Foster Grandparent program, and \$46.5 million for the Senior Companion program for fiscal year 2003 and such sums as may be necessary for all programs for fiscal years 2004–2007.

*Administration and Coordination.*—Ensures that participants who receive a living allowance do not displace unpaid volunteers under the Domestic Volunteer Service Act.

Authorizes \$33.5 million for program administration for fiscal year 2003 and such sums as may be necessary for fiscal years 2004–2007.

*Sense of Congress.*—It is the sense of Congress that the Corporation should, in all of its communications, distinguish individuals receiving stipends from volunteers by: (1) referring to participants in AmeriCorps under the National and Community Service Act as “members”; (2) referring to participants in the Foster Grandparents program as “Foster Grandparents”; and (3) referring to participants in the Senior Companions program as “Senior Companions”.

It is the sense of Congress that programs under the national service laws are encouraged to provide recruitment and application

materials in languages other than English in order to serve communities of limited English proficiency.

#### COMMITTEE VIEWS

The Retired and Senior Volunteer Program (RSVP), the Foster Grandparent Program, and the Senior Companion Program (which comprise the Senior Service Corps today) were created in the 1960's to engage older Americans in the work of improving the nation. In 1969, as part of the "War on Poverty," President Lyndon B. Johnson created Volunteers in Service to America (VISTA). VISTA provides opportunities for Americans to serve full-time to help bring individuals and communities out of poverty. The Domestic Volunteer Service Act of 1973 authorized the ACTION Agency, which administered VISTA and the Senior Service Corps for the next two decades.

The expanding service movement led to the passage of the National and Community Service Act of 1990. This legislation, signed by President George H.W. Bush, created both a private, nonprofit organization—the Points of Light Foundation—and a new independent federal agency, the Commission on National and Community Service. Through grants and national coordination, the Commission supported four types of service programs: service-learning programs for school-aged youth, higher-education service programs, youth corps, and national service demonstration models.

In 1992, the National Civilian Community Corps (NCCC) was created as a demonstrated program to explore the possibility of using post-Cold War military resources to help solve problems in the United States. The NCCC, enacted as part of the 1993 Defense Authorization Act, is a residential service program modeled on the Depression-era Civilian Conservation Corps and the United States military.

On September 21, 1993, President William J. Clinton signed the National and Community Service Trust Act of 1993 into law. This legislation created AmeriCorps and the Corporation for National and Community Service to oversee national service efforts and to help provide Americans of all ages and backgrounds with opportunities to give back to their communities and their nation through service. More than 2 million Americans serve each year through the corporation's three main programs: AmeriCorps, Senior Corps, and Learn and Serve America.

In his State of the Union address on January 29, 2002, President George W. Bush called on all Americans to serve their country for the equivalent of two years over their lifetime and announced the creation of the USA Freedom Corps. The USA Freedom Corps has three major components: a newly created Citizen Corps to engage citizens in homeland security; an improved and enhanced AmeriCorps and Senior Corps under the Corporation for National and Community Service; and a strengthened Peace Corps. Under an Executive Order signed by the President, this citizen service initiative is managed by a new USA Freedom Corps Council and an Assistant to the President within the White House. The Committee on Education and the Workforce only has jurisdiction over provisions pertaining to the Corporation for National and Community Service.

On April 9, 2002, President Bush unveiled his “Principles and Reforms for a Citizen Service Act” to guide the reauthorization of programs under the Corporation for National and Community Service. Specifically, the President called for legislation to: (1) support and encourage greater engagement of citizens in volunteering; (2) make federal funds more responsive to State and local needs; (3) make federal support more accountable and effective; and (4) provide greater assistance to community-based organizations (which include religious organizations). Since then, the Committee on Education and the Workforce has worked in a bipartisan manner and with the Administration to craft legislation to reform and enhance national service.

On May 24, 2002, Representatives Pete Hoekstra (R-MI) and Tim Roemer (D-IN) introduced H.R. 4854, the Citizen Service Act of 2002, in response to the President’s call for a bill to reauthorize the national service laws. H.R. 4854 will reform and strengthen programs under the Corporation for National and Community Service; implement first-time accountability measures for grantees under the national service laws; and make the Corporation for National and Community Service an effective outlet for leveraging community service among the many service organizations across the country. H.R. 4854 also addresses several specific issues that will help to improve national service provisions found in current law.

#### NATIONAL AND COMMUNITY SERVICE ACT

Under current law, the National and Community Service Act authorizes four programs: AmeriCorps Grants, the National Civilian Community Corps, Learn and Serve America, and the Points of Light Foundation.

##### *Purpose*

H.R. 4854 broadens the scope of the purpose of the National and Community Service Act to: (1) expand and strengthen service-learning programs to improve the education of children and youth; (2) support efforts to make the nonprofit sector more effective in service activities; and (3) assist in coordinating and strengthening federal and other citizen service opportunities, including opportunities for participation in homeland security preparedness and response, law enforcement and rescue service activities, other areas of public and social service, and international service.

Americans are increasingly answering the President’s call to participate in community service. Shortly after the tragic September 11 attacks, applications to AmeriCorps increased by more than 50 percent, and interest in Senior Corps programs has risen substantially. The spirit of community service in our country is stronger than ever because of the tragedy our nation has endured.

The Committee recognizes this situation and includes emergency preparedness and homeland security activities under H.R. 4854. Continued safety threats and possible future attacks have increased demands upon our nation’s safety, health, and emergency preparedness systems. Accordingly, the Committee encourages the Corporation to consult with regional, State, and local officials regarding homeland security activities funded under this Act and to appropriately fund these activities.



### *Service-learning*

Service-learning is designed to involve students in community service projects that address local needs in education, public safety, human services, and the environment in ways that benefit both the student and the community. Service-learning programs also encourage and foster collaboration among many organizations and institutions including schools, community-based organizations, religious organizations, institutions of higher education, and others to meet local and community needs. Under current law:

- 63.75 percent of funds are reserved for school-based programs (which help schools create service-learning initiatives that involve elementary and secondary school students in community service that is integrated with their academic curricula);
- 25 percent of funds are reserved for higher education programs (which help institutions of higher education and non-profit organizations to create service-learning initiatives that involve postsecondary school students in community service that complements their academic studies); and
- 11.25 percent of funds are reserved for community-based programs (which help community groups create service-learning initiatives that involve elementary and secondary school students in community service).

A 1999 U.S. Department of Education study entitled, “Service-Learning and Community Service in K–12 Public Schools,” and conducted by the National Center for Education Statistics found that service and service-learning classes and activities are a growing trend in public elementary and secondary education. The study found that 32 percent of all public schools organized service-learning as part of their curriculum and that 57 percent of all public schools organized community service activities for their students.

H.R. 4854 allocates 50 percent of funds under this subtitle for school-based programs. It consolidates the current law competitive and formula grant school-based programs (current law reserves 25 percent for federal competitive grants and 75 percent for formula grants to State educational agencies) into a single funding stream and authorizes the Corporation to award formula grants to State educational agencies (50 percent based on the population of school-age youth and 50 percent based on title I of the Elementary and Secondary Education Act) to pay for the federal share (which may not exceed 50 percent) of authorized service-learning activities. SEAs are authorized to award competitive grants to local partnerships, which include local educational agencies and public or private nonprofit organizations. Authorized school-based activities include:

- Planning and building the capacity within the State to implement service-learning programs that are based principally in elementary and secondary schools; and
- Implementing, operating, or expanding school-based service-learning programs to utilize service-learning to improve academic achievement.

H.R. 4854 allocates up to 25 percent of funds under this subtitle for innovative higher education programs for community service. It also allows higher education institutions to participate through a

payment in cash or in kind (including facilities, equipment, or services).

The Committee notes that special consideration will be given to higher education service-learning applications submitted by Historically Black Colleges and Universities, Hispanic-Serving Institutions, and Tribal Colleges and Universities. In recognition of these institutions' unique role in providing college opportunities to underserved groups of students, both the Higher Education Act and this Act provide opportunities for additional assistance to these institutions and their students. The Committee believes it is important to provide these institutions a special consideration in the service-learning grant application process in order to support additional educational opportunities for the students being served.

The President's "Principles and Reforms for a Citizen Service Act" noted that the Federal Work Study program has as a purpose "to encourage students receiving Federal student financial aid to participate in community service activities that will benefit the Nation and engender in the students a sense of social responsibility and commitment to the community." However, the Principles note, "current law requires that colleges and universities place only 7 percent of Work Study students in community service positions. Even so, many colleges and universities fail to meet this very minimal requirement." Therefore, higher education institutions applying for funding would have to demonstrate compliance with the community service requirements established for the Federal Work Study Program under the Higher Education Act in order to be eligible to receive a grant.

The Administration's proposal recommended that the Higher Education Act be amended to "require every college and university to increase, over several years, the percentage of Federal Work Study funds devoted to community service to 50 percent." The Committee is not addressing this specific proposal in this legislation because it is more appropriately considered in the context of the reauthorization of the Higher Education Act.

Finally, H.R. 4854 allocates not less than 25 percent of funds under this subtitle for community-based programs. The Corporation is authorized to award competitive grants for high quality school-based, community-based, and demonstration programs which may include training for service-related activities. Specifically, the bill authorizes the Corporation to award grants to eligible entities (public or private nonprofit organizations; State educational agencies; State commissions on national and community service; and institutions of higher education) to:

- Conduct community-based programs that provide for meaningful human, educational, environmental, or public safety service by school-age participants;
- Provide training or technical assistance to support service-learning;
- Involve students in emergency preparedness and homeland security activities;
- Promote the recognition of students who perform outstanding community service and schools that have implemented outstanding service-learning programs; and
- Carry out demonstration programs, research, and evaluation related to service-learning.

In 2000, the W.K. Kellogg Foundation appointed the National Commission on Service-Learning to study the current state of service-learning in American schools. The Commission, chaired by former United States Senator John Glenn and co-sponsored by the John Glenn Institute for Public Service and Public Policy at Ohio State University, made four specific recommendations to achieve the broad goal of making service-learning a universal experience in American public schools:

1. Reclaim the public purpose of education by expanding the definition of student achievement to include students' community contributions;
2. Increase policy, program and financial supports for service-learning in K-12 education;
3. Develop a comprehensive system of professional development regarding service-learning; and
4. Provide meaningful leadership roles for youth in all aspects of service-learning.

The Committee also recognizes the accomplishments of the Do Something organization in engaging students in community-building and leadership activities in urban, rural, and suburban school districts around the country. Do Something is a national nonprofit service, learning organization that inspires young people to believe that change is possible, and trains, funds, and mobilizes them to be leaders who measurably strengthen their communities. The Committee notes that Do Something was invited to the White House by the Bush Administration to provide suggestions for the creation of the USA Freedom Corps and is working on service-learning projects to offer young people positive ways to commemorate the September 11 attacks.

H.R. 4854 also continues the current law Service-Learning Clearinghouse to assist entities carrying out State or local service-learning programs with needs assessments and planning, and to conduct research and evaluations concerning service-learning.

#### *AmeriCorps grants*

In fiscal year 2001, AmeriCorps received appropriated funds to support over 900 programs and approximately 43,000 members. AmeriCorps members mobilize, manage, and train unpaid volunteers to assist nonprofit groups and public agencies across the country. The members, and the volunteers they help organize, teach children to read, make neighborhoods safer, and help build affordable homes for low-income families, among many other activities. When a new class of members enrolls this fall, more than 250,000 Americans 18 and older will have participated in AmeriCorps since it was created in 1993.

H.R. 4854 makes several specific changes to subtitle C to reform AmeriCorps provisions found in current law. Those include:

- *Requiring a High School Degree for Tutors.*—Requires an AmeriCorps member who serves as a tutor in a program that involves elementary and secondary students to have at least a high school diploma (unless the tutor is a high school student) or a GED. The Committee believes it is essential that tutors meet minimum education requirements to ensure that they provide quality educational assistance.

- *Requiring Scientifically Based Literacy Programs.*—Requires literacy programs under the national service laws to be based on scientifically based reading research and ensures that programs provide instruction based on the essential components of reading instruction as defined in P.L. 107–110, the No Child Left Behind Act. H.R. 4854 also requires that reading tutors operate programs based on the recommendations of the National Reading Panel and on research from the National Institute of Child Health and Human Development consistent with the requirements of P.L. 107–110, the No Child Left Behind Act. H.R. 4854 continues the President's focus on literacy programs and his efforts to ensure that all children read well and independently by the third grade. The Committee believes that it is important that literacy programs under the national service laws be consistent with reading instruction children receive in the classroom. Accordingly, H.R. 4854 provides authority to expand the number of literacy programs, while also ensuring that children participate in high quality reading programs and receive competent reading instruction as defined by the No Child Left Behind Act.

- *Ensuring Sound Citizenship Training.*—Directs the Corporation to establish requirements relating to the promotion of citizenship and civic engagement that are consistent with programs administered by the Immigration and Naturalization Service. Building on a pilot effort that began in fiscal year 2001, the Committee encourages the Corporation to continue efforts to promote and ensure that citizenship skills are a key ingredient in the activities of every AmeriCorps member. H.R. 4854 also ensures that any oath given under the national service laws is consistent with the principles of the federal oath of office.

- *Training and Technical Assistance.*—Authorizes the use of subtitle C funds to support training and technical assistance for all programs authorized under the national service laws. In providing training and technical assistance, the Committee encourages the Corporation to use a portion of these funds to improve access to service opportunities in rural and other underserved areas. The Committee believes that an increased focus on training and technical assistance activities will greatly benefit small community organizations and religious organizations that have not participated in programs under the national service laws in the past.

- *Funding Allocations.*—Ensures that 80 percent of funds for AmeriCorps programs are administered at the State level (the remaining 20 percent of funds is held at the federal level for competitive grants for organizations such as Habitat for Humanity, Teach for America, the American Red Cross, Boys and Girls Clubs, and others). H.R. 4854 provides that a significant majority of funds under this subtitle are managed by States and local organizations in order to allow these programs to respond to local needs and priorities. Specifically, H.R. 4854 allocates:

- Up to 20 percent of funds for national direct competitive grants;
- At least 35 percent of funds for State competitive grants; and
- 45 percent of funds for States by formula based on population.

- *Flexibility in Selecting Service Activities.*—Provides new authority for the CEO of the Corporation to reserve funds to support member-based national service positions that allow AmeriCorps members to select their own community service activities. The Corporation is required to ensure that groups receiving grants under this authority are capable of providing the financial management and programmatic oversight necessary to ensure compliance with this Act. Providing authority for members to choose service activities that comply with new accountability requirements continues the Committee's efforts to ensure that local organizations and individuals have sufficient authority to make decisions about community service activities.

- *Reporting Requirement.*—Requires grantees to report the amount and source of any federal funds used for living allowances other than those provided by the Corporation. The Committee believes that it is appropriate and necessary for Congress to be made aware of how programs under the national service laws are supported. Specifically, current law provides that the federal government pays 85 percent of the costs associated with an AmeriCorps member's living allowance. However, this amount may be paid by the Corporation, other federal agencies, or a combination of both. This new reporting requirement will allow for detailed information on which federal programs support the living allowance costs, and to what extent the various federal programs provide assistance. This information is necessary to ensure an accurate picture of the costs of national service programs.

- *Types of National Service Programs.*—Provides for the following additional types of programs eligible for AmeriCorps grants:

- An E-Corps program that involves participants who provide service in a community by developing and assisting in carrying out technology programs;
- A program that engages citizens in public safety, public health, disaster relief and preparedness, and the recruitment and placing of qualified participants in positions to be trainees as law enforcement officers and rescue personnel; and
- A program that expands the number of young people with mentors.

The Committee encourages the Corporation to work with the network of State Mentoring Partnerships to ensure that mentoring programs have access to high-quality resources, volunteers, and best practices that lead to high-quality mentoring programs and an increased number of young people served by mentoring relationships. Research on mentoring has shown that overall, youth participating in mentoring relationships improve their academic performance, are less likely to become involved in drug and alcohol abuse, and have positive social attitudes and stronger relationships with their families, teachers, and peers. Research also demonstrates that screening, orientation, and training, along with support and supervision, were all essential in establishing longer and closer mentoring relationships, which lead to greater benefits for young people. However, while an estimated 15.7 million young people could benefit from mentoring, there are only between 500,000 to 750,000 children who currently have a mentor. By utilizing the resources of State Mentoring Partnerships, the Committee hopes to

strengthen mentoring programs, leading to more young people benefiting from high quality mentoring relationships.

- *Cooperative Agreements.*—H.R. 4854 prohibits the Corporation from awarding grants to other federal agencies. This prohibition maintains each federal agency's accountability to its authorizing and appropriations committees. However, H.R. 4854 preserves the Corporation's authority to support service programs conducted by states and non-profit organizations—such as those homeland security, disaster response, restoring public lands, and rehabilitating public housing and urban recreational areas—by establishing cooperative agreements with other agencies.

For example, President Bush has called for eliminating the \$5 billion backlog in maintenance in our national parks. Youth conservation corps are a proven, cost-effective approach to maintaining public lands while exposing young people to public service and the Nation's natural treasures. The Committee encourages the Corporation to support such cooperative projects.

#### *National Service Trust and education awards*

The National Service Trust, created in 1993, is a special account in the U.S. Treasury from which educational awards are made for eligible participants in AmeriCorps, the National Civilian Community Corps, and VISTA. To receive an award, a participant must: (1) successfully complete the required term of service for the program in which he or she is enrolled; (2) be at least 17 years old at the time the service period begins; (3) at the time the award is used, have received a high school diploma or equivalent, be enrolled at an institution of higher education in a program leading to a recognized credential and maintain satisfactory progress, or have received a waiver from these requirements; and (4) be a citizen or national of the United States or lawful permanent resident alien of the United States. H.R. 4854 amends subtitle D to:

- Permit an individual to receive no more than the aggregate value of two full-time educational awards;
- Increase the amount of the education award to \$5,250 (the award has been fixed at \$4,725 since fiscal year 1993); and
- Provide that the educational award may be used to pay for attendance at educational institutions that meet the requirements of the Montgomery GI Bill as well as for educational expenses at institutions of higher education as defined by the Higher Education Act.

The Committee believes it is important to increase the education award, especially as it has not been increased since it was created in 1993, to support the educational endeavors of national service participants. The Committee recognizes that the cost of education is rising. The increase in the amount of the education award will provide additional funds for those pursuing a post-secondary education.

The Committee also believes that eliminating taxation of Education Awards would create greater educational opportunities for AmeriCorps members. However, the Committee recognizes that this issue is outside of its jurisdiction.

*National Civilian Community Corps (NCCC)*

The National Civilian Community Corps (NCCC) is a federally operated 10-month residential program for youth ages 18–24 who are citizens, nationals, or lawful permanent residents aliens of the United States. NCCC participants address needs in the areas of education, public safety, environment, human needs, and disaster relief. NCCC participants live in one of five regional campuses: Washington, DC (Capital Region), Perry Point, MD (Northeast Region), Charleston, SC (Southeast Region), Denver, CO (Central Region), and San Diego, CA (Western Region). H.R. 4854 amends subtitle E to:

- Broaden the scope of the purpose to include disaster relief;
- Authorize higher education scholarships to participants in NCCC summer programs who do not meet the age requirements for an education award;
- Provide for the use of NCCC members with prior supervisory experience as Team Leaders and allows Team Leaders to receive an additional 10 percent of the living allowance; and
- Provide authority to use subtitle E funds to make grants to support emergency response corps, including residential programs, that would respond to natural and other disasters and opportunities for participants to be trainees as law enforcement officers and rescue personnel.

*Administrative provisions*

Subtitle F includes provisions that generally apply to all of the national service laws authorized under this Act. H.R. 4854 adds several provisions to this subtitle to reform procedures and activities authorized under current law. Those include:

- *Implementing Accountability Measures.*—Requires the Corporation to work with all grantees to establish performance measures; requires grantees to design corrective plans if they fail to meet performance measures; and provides new authority for the Corporation to reduce or terminate grants if corrections are not made. Because of past fraud and abuse, the need for accountability measures was discussed during the April 11, 2002, Subcommittee on Select Education hearing on “The Corporation for National and Community Service.” Dr. Lenkowsky, CEO for the Corporation, testified:

To be effective, the organizations with which we work must understand that failure to meet performance goals will have consequences. Although there is much that can be done administratively in this area, the statute can make this expectation permanent and more forceful.

The Committee recognizes the need for strong accountability measures and H.R. 4854 supports the Administration’s call for statutory accountability requirements.

- *Limiting Program Costs.*—Under current law, there is no statutory limit on the amount of money the federal government may spend to support individual participants among various programs. Accordingly, H.R. 4854 provides for a new statutory cap of \$16,000 on federal costs per participant for programs under the national service laws. In addition, the new provision permits the CEO of the Corporation to issue a waiver to assist grantees in meeting compel-

ling needs (up to \$18,000 for costs related to such things as the participation of individuals with disabilities and initial start-up costs for religious organizations and up to \$20,000 for residential programs). H.R. 4854 also requires the CEO of the Corporation to report to Congress annually on all waivers granted.

The Committee recognizes the efforts of the Corporation to reduce costs over the last several years, which include spending targets and reports on the average budgeted cost per AmeriCorps member. However, the Committee believes that a new statutory spending limit is appropriate and necessary to ensure fiscal discipline during the 5-year authorization of this Act. The new statutory cap on federal spending per member is also intended to make it clear that State, local, foundation, and private funds should be combined with federal dollars in implementing Corporation programs.

- *Referrals for Federal Assistance and Coordination.*—Prohibits funding for programs under the national service laws that only refer individuals to federal or State assistance programs. The Committee wishes to clarify that while national service programs cannot operate solely to refer individuals to federal assistance programs, there is no requirement that national service programs provide for such referrals. The Committee also notes that while current law encourages a State commission on national and community service or alternative administrative entity to coordinate activities funded under the national service laws with activities of other State agencies administering federal financial assistance programs, this coordination may not be the only goal of a program (??).

- *Protecting and Encouraging Unpaid Volunteers.*—Authorizes AmeriCorps members to engage in capacity-building activities, including recruiting and managing unpaid volunteers. The Committee notes that increasing the involvement and participation of unpaid volunteers is a new explicit criterion to be considered in making awards under national service laws. H.R. 4854 also ensures that AmeriCorps members who receive a living allowance do not displace unpaid volunteers under national service programs. For fiscal year 2002, program guidance issued by the Corporation explicitly stated that a fundamental purpose of AmeriCorps is to help mobilize, support, and manage the vast networks of volunteers assisting non-profit organizations. The Committee applauds these efforts and encourages the Corporation to focus on an applicant's ability to leverage unpaid volunteers when awarding grants under the national service laws.

- *Notice Requirement.*—Current law prohibits any individual with responsibility for operating a project that receives funds under the national service laws from discriminating on the basis of religion against a member of the staff of such project who is paid with funds received under the national service laws unless such staff member was employed with the organization operating the project on the date the grant was awarded. The language of section 175(c) and section 417(c) only applies to individuals hired with federal funds after the date a grant has been awarded. It does not apply to individuals who are paid with federal funds, but who were employed by a religious organization prior to the awarding of the grant. At the time the National and Community Service Act was originally under consideration, Congress was attempting to strike



a Constitutionally permissible balance, under the prevailing law of the time, between permitting faith-based organizations to participate in federally funded community service programs and ensuring that federal funds are not used for the promotion of religion.

Section 417(c) of the Domestic Volunteer Service Act of 1973 was amended to contain the current restriction as part of the Act amending the National and Community Service Act of 1990 in which the language of section 175(c) was restated (Public Law 103–82).

Section 175(c) and section 417(c) predates more recent Acts designed to invite faith-based organizations into federal social service efforts by allowing them, among other things, to retain their exemption under section 702(a) of the Civil Rights Act of 1964, which allows them to staff on a religious basis. These more recent Acts recognize that “[i]n its most recent decisions [,] the [Supreme] Court appears to have abandoned the presumption that some religious institutions \* \* \* are so pervasively sectarian that they are constitutionally ineligible to participate in direct public aid programs.” (See Congressional Research Service, *Charitable Choice: Constitutional Issues and Developments Through the 106th Congress* (December 27, 2000) at 29.)

While H.R. 4854 as reported by the Committee does not repeal section 175(c) or section 417(c), it does require the Corporation for National and Community Service to provide specific notice (as detailed in the proposed section 189F) to grant applicants and recipients regarding the restrictions contained in section 175(c) and section 417(c) of current law.

Staffing provisions in H.R. 4854 and the underlying statute are subject to the Religious Freedom Restoration Act (42 U.S.C. 2000bb et seq.) (“RFRA”), which provides that “[g]overnment shall not substantially burden a person’s exercise of religion” unless the burden “is in furtherance of a compelling governmental interest” and “is the least restrictive means of furthering” such interest. RFRA has been upheld by the federal circuit courts of appeal as applied to federal laws and requirements. See, e.g., *Sutton v. Providence St. Joseph Med. Ctr.*, 192 F.3d 826, 832 (9th Cir. 1999) (finding that the application of federal copyright laws did not violate RFRA); *In re Young*, 141 F.3d 854, 856 (8th Cir. 1998) (holding that Congress had the authority to compel strict scrutiny with regard to federal affairs and therefore RFRA continues to apply to federal bankruptcy laws in spite of *Boerne*), cert. denied 525 U.S. 811; see also *Adams v. Comm’r*, 170 F.3d 173, 175 n.1 (3d Cir. 1999) (noting that “courts that have addressed the question . . . have found that RFRA is constitutional as applied to the federal government”), cert. denied, 528 U.S. 1117 (2000); *Alamo v. Clay*, 137 F.3d 1366, 1368 (D.C. Cir. 1998) (assuming that RFRA continues to apply to the federal government); *Kikumura v. Hurley*, 242 F.3d 950, 960 (10th Cir. 2001) (“RFRA as applied to the federal government is severable from the portion of RFRA declared unconstitutional [by the Supreme Court], and independently remains applicable to federal officials.”).

The Committee does not recommend that the notice requirement contained in section 189F be adopted in any other context.

- *Audits and Reports.*—The Committee notes that fiscal year 2000 was the first year the Corporation received an unqualified

opinion on its financial statements. The fiscal years 2001 audit showed that the Corporation received a clean opinion for the second year in a row. However, due to numerous problems with audits that prior to fiscal year 2000, H.R. 4854 adds new statutory language to ensure that the Corporation complies with applicable audit and reporting requirements under current law and requires the Corporation to report to Congress any failure to comply with the requirements of such audits. The Committee believes these provisions complement the new accountability measures that apply to grantees under the national service laws.

- *Co-location.*—In order to ensure compliance with the ineligible service categories in section 132 and prohibited activities in section 174, the Committee urges the Corporation to develop guidelines for grantees and program sponsors regarding the placement of national service participants in buildings, offices, and other facilities where such prohibited activities occur. The Committee does not intend to prohibit the use of donated space.

#### *Internet recruiting*

H.R. 4866 amends subtitle H to permit the Corporation for National Service to support Internet volunteer databases. Federal resources would be matched by local funds, and would allow these databases to meet growing demands for service opportunities in America.

The Internet has become a leading method of volunteer recruitment. After President Bush's call to service, hundreds of thousands of Americans turned to the Internet to search for volunteer opportunities. Seventy million Americans want to be more involved in charitable activities, but are hampered by a lack of available information.

#### *Senior service scholarships*

H.R. 4854 authorizes a new senior scholarship to support tutoring, mentoring, and other service by seniors, who may receive a \$1,000 scholarship. States, Indian tribes, other public agencies, and nonprofit organizations are eligible to apply for grants under this subtitle. The Committee notes that President Bush supports the expansion of senior-service programs and activities and has put forth several new proposals for attracting seniors to service. The Committee recognizes the expanding population of seniors in the country and supports the President in his efforts to create new roles and opportunities for this segment of our population. The Committee also recognizes that seniors have valuable life experiences that can help in mentoring or tutoring children. Accordingly, H.R. 4854 contains new authority for senior scholarships that provide an incentive for seniors to serve under the national service laws.

#### *America's promise*

America's Promise was founded after the Presidents' Summit for America's Future, April 27–29, 1997 in Philadelphia. Presidents Clinton, Bush, Carter, and Ford, with First Lady Nancy Reagan representing her husband, challenged the nation to make youth a national priority. Since then, America's Promise has created a diverse and growing alliance of nearly 500 national organizations

called partners, which make large-scale national commitments to fulfill one or more of the five promises:

1. Ongoing relationships with caring adults—parents, mentors, tutors or coaches;
2. Safe places with structured activities during nonschool hours;
3. A healthy start for adulthood;
4. Marketable skills through effective education; and
5. Opportunities to give back through community service.

Partner organizations agree to expand existing youth programs or create new ones and hold themselves accountable by measuring their progress. Spanning all sectors of society, these groups include corporations, not-for-profits, higher education and faith-based groups, associations and federal agencies, and arts and cultural organizations. Most partners expand the scale and impact of their efforts by collaborating with other groups, such as direct youth service providers.

H.R. 4854 authorizes grants to America's Promise to support its activities relating to mobilizing communities to ensure that youth become productive, responsible adults.

#### *Points of Light Foundation*

Established in 1990 as a nonprofit charitable organization, the Foundation is by statute a non-federal independent and autonomous entity whose purposes are to: (1) encourage every American to help solve critical social problems by volunteering; (2) identify successful and promising community service projects and disseminate information about them; and (3) discover new leaders and develop individuals and institutions that serve as strong examples of commitment to others. In 1991, the Foundation merged with the National Volunteer Center, a non-governmental organization, and is now associated with a nationwide network of private volunteer centers and corporate representatives. The Foundation is authorized to receive funding as part of the Corporation's appropriation and must provide a 25 percent match with funds raised from the private sector. The Corporation and Foundation work together to coordinate activities and support related missions, but the Foundation is not administered by the Corporation. H.R. 4854 amends title III to:

- Broaden the purpose to include references to volunteer service and volunteer centers;
- Authorize the Foundation to use up to 25 percent of funds provided each year to support an endowment fund (the interest of which may be used to support authorized activities); and
- Authorize the Foundation to make subgrants to support the development and ongoing work of volunteer centers.

#### DOMESTIC VOLUNTEER SERVICE ACT

The purpose of the Domestic Volunteer Service Act is to foster and expand voluntary citizen service in communities throughout the nation in activities designed to help the poor, the disadvantaged, the vulnerable, and the elderly. The Domestic Volunteer Service Act authorizes Volunteers in Service to America (VISTA) and the Senior Corps. The Senior Corps consists of the Retired and

Senior Volunteer Program (RSVP), the Foster Grandparent Program, and the Senior Companion Program.

*Volunteers in Service to America (VISTA)*

The purpose of this program is to recruit volunteers to serve in poverty and poverty-related projects. Volunteers must be at least 18 years old and serve full time for at least 1 year (but not more than 3 years). To the maximum extent possible, they live among and at the economic level of the people they serve. The role of the volunteers is to mobilize community resources, increase the capacity of the community to solve problems, and ensure that activities initiated or expanded by the volunteers are sustained by the community when they leave. For example, VISTA volunteers may work with Habitat for Humanity to recruit persons to build homes; create a database of volunteer medical professions who see low-income patients in their offices; or initiate contacts with foundations, private funders, and community agencies to secure financial support for local community organizations.

H.R. 4854 retains current law provisions that provide VISTA participants with federal employee status and benefits for certain purposes including retirement and workers compensation. These provisions maintain the elements of VISTA that have helped the program succeed in working with small non-profit organizations to fight poverty for nearly four decades.

In addition to increased flexibility in operational programming, the bill phases in changes to the current law term of service requirements that would allow participants greater flexibility in the amount of time they serve (under current law a 12-month commitment—that is 24 hours a day and 7 days a week—is required). Because of the changes to the program in H.R. 4854 a VISTA project may allow participants to have greater flexibility in off-duty hours to pursue personal activities during the period of service (such as higher education courses and part-time employment to supplement the living allowance).

H.R. 4854 amends section 103 to explicitly permit public and non-profit organizations to help support VISTA participants. One of the strengths of the VISTA program throughout its four-decade history has been its accessibility to small non-profit organizations in distressed communities. By specifically authorizing cost sharing, the Committee does not intend that the Corporation use this authority that would have the effect of limiting or denying participation in the VISTA program by small non-profits, or non-profits that have limited resources to provide additional support to VISTA participants.

*Senior Corps*

The Senior Corps consists primarily of the Retired and Senior Volunteer Program (RSVP), the Foster Grandparent Program, and the Senior Companion Program. The premise of the Senior Corps is that seniors through their skills and talents can help meet priority community needs and have an impact on national problems of local concern. In all three programs, project grants are awarded to public agencies, such as State, county, and local governments, and to private nonprofit organizations. These entities apply to the Corporation's State offices for funds to recruit, place, and support

the senior volunteers and participant. H.R. 4854 amends the provisions of the Senior Corps to:

- Broaden the scope of the purpose to add emphasis on community needs and research and provides that all Senior Corps programs are open to individuals 55 and older (current law is 60). The Committee supports expanding service opportunities and recognizes the fact that those aged 55 and older can make meaningful contributions to society and should be eligible for programs under the Senior Corps. This change ensures more Americans can participate in service opportunities authorized under the national service laws.
- Provide that a stipend may be made available to a participant with an income that is up to 200 percent of poverty. Under current law the eligibility threshold is 125 percent of poverty, which is \$11,075 for a single person for 2002; the new 200 percent threshold would be \$17,720 (higher for couples, and adjusted upward in Alaska and Hawaii). The provision would also allow the Director to use up to 15 percent of funds for participants with incomes above 200 percent of poverty as long as the program, following innovative efforts to recruit, is not able to effectively recruit and place low-income participants. The Committee removes the current law prohibition on using federal funds to manage, train, and support over-income participants who want to take part in Senior Corps programs without receiving a stipend.
- Authorize the Director to support Senior Corps leaders who, on the basis of past experience as volunteers, special skills, and demonstrated leadership abilities, may coordinate activities, including training, and otherwise support the service of volunteers.
- Ensure continued service opportunities for individuals serving in Retired and Senior Volunteer programs, Foster Grandparent programs, and Senior Companion programs.

The Committee is concerned that funding for the National Senior Service Corps programs—including the Foster Grandparent Program, Retired and Senior Volunteer Program, and Senior Companion Program—may not be equally distributed across the Nation. Some states receive a significantly smaller share of federal resources under these programs than their share of the Nation's population of seniors. This inequity denies service opportunities to thousands of seniors. It also punishes the at-risk youth and homebound elderly who could benefit from the untapped resource of senior volunteers in their community. The Committee urges the Corporation to prioritize applications from underserved regions in awarding new grants.

### *Conclusion*

H.R. 4854, the Citizen Service Act of 2002, is reflective of the vision President Bush laid out for national service, and will help foster stronger communities and neighborhoods, and closer connections between Americans. National service takes place in every community across the country and around the world, by individuals of all backgrounds and ages, supporting organizations large and small. Swift approval of this legislation will harness the energy and commitment of those anxious to contribute to their county and provide wonderful opportunities and incentives for them to do so.

## SECTION-BY-SECTION ANALYSIS

Section 1—Sets forth the short title of this Act as the “Citizen Service Act of 2002” and contains its table of contents.

## TITLE I—AMENDMENTS TO NATIONAL AND COMMUNITY SERVICE ACT OF 1990

Section 1001—provides that references in title I are made to the National and Community Service Act of 1990.

## Subtitle A—Amendments to Subtitle A (General Provisions)

Section 1101—Amends section 2(b) regarding the purposes of the Act.

Section 1102—Amends section 101 pertaining to definitions.

## Subtitle B—Amendments to Subtitle B (Service-Learning)

Section 1201—Amends part I of subtitle B of title I as follows:

## “PART I—PROGRAMS FOR ELEMENTARY AND SECONDARY STUDENTS

“Section 111 contains provisions pertaining to assistance to states and Indian tribes.

“Section 112 sets forth provisions regarding allotments.

“Section 113 contains provisions pertaining to applications for allotments under this part.

“Section 114 states that in considering applications under this part, the Corporation shall use criteria that include those approved by the Board of Directors.

“Section 115 contains provisions pertaining to federal, state, and local contributions.

“Section 116 sets forth limitations on the uses of funds for administration.”

Section 1202—Amends section 119 regarding higher education provisions.

Section 1203—Amends subtitle B of title I by adding after part II the following new part:

## “PART III—COMMUNITY-BASED PROGRAMS, TRAINING, AND OTHER INITIATIVES

“Section 120 contains provisions regarding community-based programs, training, and other initiatives.”

Section 1204—Amends subtitle B of title I in part I, by striking subpart C and by adding after part III (as added by section 1203) the following new part:

## “PART IV—CLEARINGHOUSE

“Section 120A sets forth provisions regarding the Service-Learning Clearinghouse.”

## Subtitle C—Amendments to Subtitle C (National Service Trust Program)

Section 1301—Amends section 121 pertaining to a prohibition on grants to federal agencies and limits on corporation costs.

Section 1302—Amends Section 122 regarding E-Corps and technical amendments to the types of programs.

Section 1303—Amends section 123 pertaining to types of positions.

Section 1304—Amends section 125 regarding training and technical assistance.

Section 1305—Amends section 126 pertaining to state commissions and Challenge Grants.

Section 1306—Amends section 129 as follows:

“Section 129 establishes guidelines for the provision of assistance and approved national service positions.”

Section 1307—Amends subtitle c of title I by inserting after section 129 the following new sections:

“Section 129A sets forth provisions pertaining to pilot authority for member-based national service positions.

“Section 129B contains provisions pertaining to the education awards program.

“Section 129C contains provisions regarding fixed amount grants.”

Section 1308—Amends section 130 regarding state selection of programs.

Section 1309—Amends section 133 pertaining to the consideration of applications.

Section 1310—Amends section 137 concerning the description of participants.

Section 1311—Amends section 138(a) by striking references to “Federal agency,”.

Section 1312—Amends section 139 regarding terms of service.

Section 1313—Amends section 140 regarding adjustments to the living allowance.

#### Subtitle D—Amendments to Subtitle D (National Service Trust and Provision of National Service Educational Awards)

Section 1401—Amends section 145 pertaining to the availability of funds in the National Service Trust.

Section 1402—Amends section 146 regarding individuals eligible to receive a national service educational award from the Trust.

Section 1403—Amends section 147(a) with regard to the amount of national service educational awards.

Section 1404—Amends section 148 regarding the disbursement of national service educational awards.

Section 1405—Amends subtitle D of title I by adding at the end the following new sections:

“Section 149 contains provisions pertaining to the National Service Trust and individuals with disabilities.

“Section 149A sets forth provisions regarding service-based scholarships for high school students.”

#### Subtitle E—Amendments to Subtitle E (National Civilian Community Corps)

Section 1501—Amends section 151 as follows:

“Section 151 sets forth the purpose of this subtitle.”

Section 1502—Amends section 152 regarding program components.

Section 1503—Amends section 153 pertaining to eligible participants.

Section 1504—Amends section 154 regarding the Summer National Service program.

Section 1505—Amends section 155 pertaining to team leaders.

Section 1506—Amends section 157 regarding consultation with state commissions.

Section 1507—Amends section 159 pertaining to a permanent cadre.

Section 1508—Amends section 161(a) regarding contract and grant authority.

Section 1509—Amends section 162(a)(2)(A) pertaining to other departments.

Section 1510—Repeals sections 163 and 165, and the items relating to such sections in the table of contents contained in section 1(b).

Section 1511—Amends section 166 regarding definitions.

Section 1512—Amends subtitle E by adding at the end the following new section:

“Section 167 contains provisions pertaining to emergency response corps.”

Section 1513—Amends subtitle E regarding terminology.

#### Subtitle F—Amendments to Subtitle F (Administrative Provisions)

Section 1601—Amends section 171(a)(1) regarding family and medical leave.

Section 1602—Amends section 174 pertaining to additional prohibitions on the use of funds.

Section 1603—Amends section 176 regarding notice, hearing, and grievance procedures.

Section 1604—Amends section 177 pertaining to the resolution of displacement complaints.

Section 1605—Amends section 178 regarding state commissions on national and community service.

Section 1606—Amends section 179 pertaining to evaluation and accountability.

Section 1607—Amends section 181 by striking “Section 414” and inserting “Section 422”.

Section 1608—Amends subtitle F by adding at the end the following new sections:

“Section 185 states that to promote efficiency and eliminate duplicative requirements, the Corporation may consolidate or modify application procedures and reporting requirements for programs and activities funded under the national service laws.

“Section 186 establishes provisions pertaining to accountability for results.

“Section 187 contains provisions designed to ensure that recipients of assistance under the national service laws are meeting sustainability goals.

“Section 188 set forth provisions regarding the use of recovered funds.

“Section 189 contains provisions regarding capacity building.

“Section 189A sets forth provisions regarding the expenses of attending meetings.

“Section 189B contains provisions regarding fees.



“Section 189C states that unless otherwise specifically provided, the Corporation has authority to make a grant under the national service laws for a period of 3 years.

“Section 189D contains provisions regarding the generation of volunteers.

“Section 189E sets forth provisions regarding a limitation on program grant costs.

“Section 189F contains provisions pertaining to a notice requirement.

“Section 189G sets forth requirements regarding audits and reporting.”

#### Subtitle G—Amendments to Subtitle G (Corporation for National and Community Service)

Section 1701—Amends section 192 regarding terms of office.

Section 1702—Amends section 192A(g) pertaining to the Board of Directors’ authorities and duties.

Section 1703—Amends section 193A regarding peer reviewers.

Section 1704—Amends section 195 pertaining to nonvoting members and personal services contracts.

Section 1705—Amends section 196(a) regarding donated services.

#### Subtitle H—Amendments to Subtitle H

Section 1801—Amends section 198 regarding technical amendments to subtitle H.

Section 1802—Repeals section 198D and the item relating to such section in the table of contents contained in section 1(b).

#### Subtitle I—Additional Authorities

Section 1901—Further amends title I by adding at the end the following new subtitle:

“Subtitle J—Senior Service Scholarships

“Section 199N establishes authority to provide assistance and senior service scholarships.

“Section 199O contains provisions regarding programs eligible for assistance.

“Section 199P sets forth provisions regarding grants.

“Section 199Q sets forth provisions pertaining to funds for senior service scholarships.

“Section 199R establishes eligibility requirements to receive a senior scholarship.

“Section 199S sets forth provisions pertaining to the amount of a senior service scholarship.”

Section 1902—Amends title I by adding at the end the following new subtitle.

“Subtitle K—America’s Promise: The Alliance for Youth

“Section 199AA authorizes the Corporation to make grants to America’s Promise: The Alliance for Youth, subject to the availability of appropriations for this purpose, to support its activities relating to mobilizing communities to ensure that young people become productive, responsible adults.

“Section 199BB states that grant funds may be used to pay costs attributable to the development or operation of programs consistent

with a grant award approved by the Corporation under Section 199AA.

“Section 199CC states that the Corporation’s Chief Executive Officer may service as an ex officio nonvoting member of the Board of Directors of America’s Promise: The Alliance for Youth.”

Subtitle J—Amendments to Title III (Points of Light Foundation)

Section 1911—Amends section 302 as follows:

“Section 302 sets forth the purposes of this title.”

Section 1912—Amends section 303 regarding the Board of Directors.

Section 1913—Amends section 304 pertaining to grants to the Foundation.

Subtitle K—Amendments to Title V (Authorization of Appropriations)

Section 1921—Amends section 501 as follows:

“Section 501 sets forth provisions regarding the authorization of appropriations.”

TITLE II—AMENDMENTS TO THE DOMESTIC VOLUNTEER SERVICE ACT OF 1973

Section 2001—Provides that references in title II are made to the Domestic Volunteer Service Act of 1973.

Subtitle A—Amendments to Title I (National Volunteer Antipoverty Programs)

Section 2101—Amends section 2(b) regarding the purpose.

Section 2102—Amends section 101 regarding the purpose of the VISTA program.

Section 2103—Amends section 103 pertaining to applications.

Section 2104—Amends section 104 pertaining to terms and periods of service.

Section 2105—Repeals sections 109 and 124, and the items relating to such sections in the table of contents.

Section 2106—Amends section 111(b) regarding the University Year for VISTA program.

Section 2107—Amends section 121 in the second sentence by striking “agencies, institutions, and situations” and inserting “agencies and institutions, including civic, community, and educational organizations”.

Subtitle B—Amendments to Title II (National Senior Volunteer Corps)

Section 2201—Amends title II in the title heading by striking “National Senior Volunteer Corps” and inserting “National Senior Service Corps”

Section 2202—Amends section 200 as follows:

“Section 200 provides the various purposes of this title”.

Section 2203—Amends section 201 regarding grants and contracts for volunteer service projects.

Section 2204—Amends section 211 pertaining to Foster Grandparent program grants.

Section 2205—Amends section 213 concerning Senior Companion program grants.

Section 2206—Amends section 223 regarding a change in age eligibility and amends section 224 pertaining to a name change.

Section 2207—Amends section 225 regarding programs of national significance.

Section 2208—Amends title II by adding after section 227 the following new sections:

“Section 228 establishes provisions encouraging the participation of individuals in programs and activities authorized by this title, regardless of the individual’s income.

“Section 229 provides the Corporation with the authority to take necessary action to maintain service assignments for seniors and to ensure continuity of service for communities.

“Section 229A provides that the Corporation may, from funds appropriated each fiscal year to carry out subtitle II, reserve up to \$10,000,000 to support research and training intended to improve the effectiveness of programs supported under article II.”

#### Subtitle C—Amendments to Title IV (Administration and Coordination)

Section 2301—Amends section 404 by striking “displacement of employed workers” and inserting “displacement of employed workers or volunteers (other than participants under the national service laws)”.

Section 2302—Amends section 421 pertaining to definitions.

Section 2303—Amends section 425 pertaining to protection against improper use.

Section 2304—Amends title IV by adding after section 425 the following new section:

“Section 426 sets forth a provision regarding income verification.”

Section 2305—Repeals sections 412 and 416, and the items relating to such sections in the table of contents contained in section 1(b).

#### Subtitle D—Amendments to Title V (Authorization of Appropriations)

Section 2401—Amends section 501 regarding the authorization of appropriations for VISTA and other purposes.

Section 2402—Amends section 502 as follows:

“Section 502 contains provisions regarding the authorization of appropriations for programs within the National Senior Service Corps.”

Section 2403—Amends section 504 as follows:

“Section 504 states that there are authorized to be appropriated for the administration of this Act \$33,568,000 for fiscal year 2003 and such sums as may be necessary for each of fiscal years 2004 through 2007.”.

### TITLE III—AMENDMENTS TO OTHER LAWS

Section 301—Amends section 8E(a)(1) of the Inspector General Act by striking “National and Community Service Trust Act of 1993” and inserting “National and Community Service Act of 1990.”

#### TITLE IV—TECHNICAL AMENDMENTS TO TABLES OF CONTENTS

Section 4101—Amends section 1(b) of the National and Community Service Act of 1990 pertaining to its table of contents.

Section 4102—Amends section 1(b) of the Domestic Volunteer Service Act of 1973 regarding its table of contents.

#### TITLE V—EFFECTIVE DATE AND SENSE OF CONGRESS

Section 5101—States that, unless specifically provided otherwise, the amendments made by this Act shall take effect on the date of enactment.

Section 5102—Contains provisions pertaining to service assignments and agreements.

Section 5103—Sets forth provisions regarding a sense of Congress.

Section 5104—Expresses the sense of Congress that recruitment and application materials should be in languages other than English.

#### EXPLANATION OF AMENDMENTS

The Amendment in the Nature of a Substitute is explained in the body of this report.

#### APPLICATION OF LAW TO THE LEGISLATIVE BRANCH

Section 102(b)(3) of Public Law 104–1 requires a description of the application of this bill to the legislative branch. H.R. 4854, the Citizen Service Act of 2002, reauthorizes the major federally funded community service and volunteer programs: the National and Community Service Act and the Domestic Volunteer Service Act. The purposes of H.R. 4854 are to reform and strengthen programs under the Corporation for National and Community Service; implement first-time accountability measures for grantees under the national service laws; and make the Corporation for National and Community Service an effective outlet for leveraging volunteers and community service activities among the many service organizations across the country. The bill does not prevent legislative branch employees from receiving services provided under this legislation.

#### UNFUNDED MANDATE STATEMENT

Section 423 of the Congressional Budget and Impoundment Control Act (as amended by Section 101(a)(2) of the Unfunded Mandates Reform Act, P.L. 104–4) requires a statement of whether the provisions of the reported bill include unfunded mandates. H.R. 4854 amends the spending programs under the National and Community Service Act and the Domestic Volunteer Service Act. As such, the bill does not contain any unfunded mandates.

#### STATEMENT OF OVERSIGHT FINDINGS AND RECOMMENDATIONS OF THE COMMITTEE

In compliance with clause 3(c)(1) of rule XIII and clause (2)(b)(1) of rule X of the Rules of the House of Representatives, the Commit-

tee's oversight findings and recommendations are reflected in the body of this report.

NEW BUDGET AUTHORITY AND CONGRESSIONAL BUDGET OFFICE  
COST ESTIMATE

With respect to the requirements of clause 3(c)(2) of rule XIII of the House of Representatives and section 308(a) of the Congressional Budget Act of 1974 and with respect to requirements of 3(c)(3) of rule XIII of the House of Representatives and section 402 of the Congressional Budget Act of 1974, the Committee has received the following cost estimate for H.R. 4854 from the Director of the Congressional Budget Office:

U.S. CONGRESS,  
CONGRESSIONAL BUDGET OFFICE,  
*Washington, DC, June 19, 2002.*

Hon. JOHN A. BOEHNER,  
*Chairman, Committee on Education and the Workforce,*  
*House of Representatives, Washington, DC.*

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for H.R. 4854, the Citizen Service Act of 2002.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contacts are Christina Hawley Sadoti (for federal costs) and Elyse Goldman (for the state and local impact).

Sincerely,

BARRY B. ANDERSON  
(For Dan L. Crippen, Director).

Enclosure.

*H.R. 4854—Citizen Service Act of 2002*

Summary: H.R. 4854 would amend the National and Community Service Act of 1990 (NCSA) and the Domestic Volunteer Service Act of 1973 (DVSA), and would provide authorizations of appropriations for these programs over fiscal years 2003 through 2007. The national service programs currently are authorized through 2002.

CBO estimates that the bill would authorize a total of about \$4.8 billion in appropriations over the next five years. Assuming the appropriation of those amounts, CBO estimates that implementing the bill would cost \$3.4 billion over the 2003–2007 period. This bill would not affect direct spending or revenues; therefore, pay-as-you-go procedures would not apply.

H.R. 4854 contains no intergovernment or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would impose no costs on state, local, or tribal governments.

Estimated cost to the Federal Government: The estimated budgetary impact of H.R. 4854 is shown in the following table. The cost of this legislation falls within budget function 500 (education, training, employment, and social services).

TABLE 1.—ESTIMATED BUDGETARY IMPACT OF H.R. 4854

	By fiscal year, in millions of dollars—					
	2002	2003	2004	2005	2006	2007
SPENDING SUBJECT TO APPROPRIATIONS						
National and community service spending under current law:						
Budget authority .....	731	0	0	0	0	0
Estimated outlays .....	788	539	256	134	62	31
Proposed changes:						
Estimated authorization level .....	0	908	930	953	976	998
Estimated outlays .....	0	262	589	757	868	932
National and community service spending under H.R. 4854:						
Estimated authorization level .....	731	908	930	953	976	998
Estimated outlays .....	788	801	845	891	931	963

Note:—Components may not sum to totals because of rounding.

### *Basis of estimate*

For the estimate, CBO assumes that H.R. 4854 will be enacted by September 30, 2002, and that the specified and estimated authorization amounts will be appropriated for each year. Outlays are based on historical spending patterns for these programs.

H.R. 4854 would amend the national and community service laws under the NCSA and DVSA, and would authorize a total of \$908 million in fiscal year 2003, and such sums as may be necessary for fiscal year 2004 through 2007 of these programs. If the authorized amounts are adjusted for inflation, authorizations over 2003–2007 period would total \$4.8 billion. (Absent adjustments for inflation, the authorizations would total \$4.6 billion.) National and community service programs received appropriations of \$731 million for fiscal year 2002. Details of the estimated authorization amounts for H.R. 4854 are discussed below and are displayed in Table 2.

TABLE 2.—AUTHORIZATIONS UNDER H.R. 4854

	By fiscal year, in millions of dollars—				
	2003	2004	2005	2006	2007
SPENDING SUBJECT TO APPROPRIATION					
Service-learning programs:					
Estimated authorization level .....	55	58	61	65	67
Estimated outlays .....	6	33	52	60	63
National Service Trust programs:					
Estimated authorization level .....	415	424	433	443	453
Estimated outlays .....	19	150	270	350	400
National Civilian Community Corps:					
Estimated authorization level .....	30	31	31	32	33
Estimated outlays .....	26	31	31	32	33
Senior service scholarships:					
Estimated authorization level .....	12	12	13	13	13
Estimated outlays .....	2	6	10	12	13
America's promise:					
Estimated authorization level .....	8	8	8	8	8
Estimated outlays .....	1	4	6	8	8
Administration of the National and Community Service Act:					
Estimated authorization level .....	34	35	36	36	37
Estimated outlays .....	29	35	35	36	37
Points of Light Foundation:					
Estimated authorization level .....	10	10	10	11	11
Estimated outlays .....	0	10	10	10	11

TABLE 2.—AUTHORIZATIONS UNDER H.R. 4854—Continued

	By fiscal year, in millions of dollars—				
	2003	2004	2005	2006	2007
VISTA and special volunteers:					
Estimated authorization level .....	95	97	99	102	104
Estimated outlays .....	50	88	94	99	101
National Senior Service Corps, Foster Grandparent, Senior Companion, and Demonstration Programs:					
Estimated authorization level .....	216	221	226	231	236
Estimated outlays .....	113	201	214	225	230
Administration of Domestic Volunteer Service Act:					
Estimated authorization level .....	34	34	35	36	37
Estimated outlays .....	18	31	33	35	36
Total authorizations:					
Estimated authorization level .....	908	930	953	976	998
Estimated outlays .....	262	589	757	868	932

Note.—Components may not sum to totals because of rounding.

### Title I—Amendments to the National and Community Service Act of 1990

**Service-Learning Programs.** H.R. 4854 would authorize the appropriation of \$55 million for fiscal year 2003, \$58 million for 2004, \$61 million for 2005, \$65 million for 2006, and such sums as may be necessary for 2007 for service-learning programs authorized under the National and Community Service Act of 1990. Under this authority, the Corporation for National Service would make grants to states, territories, and Indian tribes to support school and community-based service-learning programs, and to institutions of higher education to support innovative programs for community service. In general, the federal share of the costs of these programs would be limited to 50 percent. One-half of the authorized funds would be reserved for school-based service learning, while the remaining half would be equally split between grants for community-based programs and for those based at institutions of higher education.

**National Service Trust Programs.** The bill would authorize the appropriation of \$415 million for fiscal year 2003 and such sums as may be necessary for 2004 through 2007 for national service trust programs. These funds would be spent on living allowances for national service participants, education awards for participants, and demonstration projects aimed at innovation in national service. H.R. 4854 would amend the National and Community Service Act of 1990 so that grants under this section could be received by state, local, and tribal entities, public and private nonprofit organizations, and institutions of higher education.

Grant recipients would carry out national service programs designed to address unmet human, educational, environmental, or public-safety needs. Participants in these service programs, as well as those in service-learning programs and programs authorized under Volunteers in Service to America (VISTA) and the National Civilian Community Corps (NCCC), who completed at least 1,700 hours of service within one year, would be eligible to receive education awards of \$5,250 (NCCC summer program participants would earn awards of \$1,000). The corporation could not approve national service positions unless it has sufficient funds on hand to provide for the education awards that would be earned. These edu-

cation awards could be used by participants to repay student loans or to pay for expenses incurred in attending an institution of higher education.

In addition, funds in the national service trust would be used to provide for the federal share (not to exceed \$500 per person) for service-based scholarships for high school students.

**National Civilian Community Corps.** The bill would authorize grants to public and private organizations for the operation and support of the NCCC, a primarily residential service program for participants who are at least 18 years of age. The bill also would authorize a summer NCCC program for youth aged 14 through 18. Participants in the NCCC would receive training designed to promote team building, discipline, leadership, work, training, citizenship, and physical conditioning, and would carry out service projects aimed at meeting specific community needs. As mentioned above, NCCC participants could earn education awards, paid out of the national service trust fund. H.R. 4854 would authorize appropriations of \$30 million for fiscal year 2003 and such sums as may be necessary for fiscal years 2004 through 2007 to operate the NCCC.

**Senior Service Scholarships.** The bill also would authorize the appropriation of \$12 million for fiscal year 2003 and such sums as may be necessary for fiscal years 2004 through 2007 for the support of senior service scholarship programs. Grants under this section may provide up to \$600 per senior volunteer participating in tutoring, mentoring, and other activities, and also would provide for senior service scholarships. To be eligible to receive a senior service scholarship of \$1,000, a senior participant (who must be 55 years of age or older when service begins) must successfully complete 500 hours of service within one year.

**America's Promise.** H.R. 4854 would authorize the appropriation of \$7.5 million for fiscal year 2003 and such sums as may be necessary for fiscal years 2004 through 2007 to provide grants to America's Promise: The Alliance for Youth. These funds would be used to support that organization's activities relating to mobilizing communities to help young people become productive, responsible adults.

**Administration of the National and Community Service Act.** This bill would authorize the appropriation of \$34 million for fiscal year 2003 and such sums as may be necessary for fiscal years 2004 through 2007 for the administration of the National and Community Service Act of 1990 by the Corporation on National and Community Service, and for providing financial assistance to the State Commissions on National and Community Service.

**Points of Light Foundation.** H.R. 4854 would authorize the appropriation of \$10 million for fiscal year 2003 and such sums as may be necessary for fiscal years 2004 through 2007 for the Points of Light Foundation. In addition, the bill would permit the foundation to use up to 25 percent of funds received under this appropriation to help build an endowment. Because the foundation operates as a nongovernmental organization, any interest earnings of the endowment, and related spending of those earnings, would not be counted on the federal budget.



## Title II—Amendments to the Domestic Volunteer Service Act of 1973

Volunteers in Service to America and Special Volunteer Programs. This bill would make amendments to the VISTA program, including a gradual phasing out of the requirement that VISTA volunteers live among and at the economic level of the people served. The bill would authorize the appropriation of \$90 million in fiscal year 2003 and such sums as may be necessary for fiscal years 2004 through 2007. In addition, the bill would authorize \$5 million for fiscal year 2003 and such sums as may be necessary for fiscal years 2004 through 2007 for special emphasis and demonstration volunteer programs.

National Senior Service Corps. H.R. 4854 would authorize appropriations totaling \$216 million for fiscal year 2003 and such sums as may be necessary for fiscal years 2004 through 2007 for programs aimed at involving senior citizens in volunteer activities. The National Senior Service Corps is comprised of the Retired and Senior Volunteer Program, the foster grandparent program, the senior companion program, and demonstration programs. Under these programs, individuals aged 55 and older could participate in volunteer programs designed to meet community needs, serve children with special needs, and serve adults who are struggling to maintain an independent life.

Administration of the Domestic Volunteer Service Act. Finally, H.R. 4854 would authorize the appropriation of \$34 million for fiscal year 2003 and such sums as may be necessary for fiscal years 2004 through 2007 for the administration of programs under the Domestic Volunteer Service Act.

Pay-as-you-go considerations: None.

Estimated impact on state, local, and tribal governments: H.R. 4854 contains no intergovernmental mandates as defined in UMR and would impose no costs on state, local, or tribal governments. State, local, and tribal governments would be eligible to receive a significant portion of the funds authorized in the bill. Any costs associated with receipt of these grants would be considered conditions of aid.

Estimated impact on the private sector: H.R. 4854 contains no private-sector mandates as defined in UMR.

Estimate prepared by: Federal spending: Christina Hawley Sadoti; impact on state, local, and tribal governments: Elyse Goldman; impact on the private sector: Emily Shelton.

Estimate approved by: Peter H. Fontaine, Deputy Assistant Director for Budget Analysis.

### STATEMENT OF GENERAL PERFORMANCE GOALS AND OBJECTIVES

In accordance with Clause (3)(c) of House Rule XIII, the goals of H.R. 4854 are to reform and strengthen programs under the Corporation for National and Community Service; implement first-time accountability measures for grantees under the national service laws; and make the Corporation for National and Community Service an effective outlet for leveraging volunteers and community service activities among the many service organizations across the country. The Committee expects the relevant federal agencies to

comply with H.R. 4854 and implement the changes to the law in accordance with these stated goals.

#### CONSTITUTIONAL AUTHORITY STATEMENT

Under clause 3(d)(1) of rule XIII of the Rules of the House of Representatives, the Committee must include a statement citing the specific powers granted to Congress in the Constitution to enact the law proposed by H.R. 4854. The Committee believes that the amendments, made by this bill to the National and Community Service Act and the Domestic Volunteer Service Act, are within Congress' authority under Article I, section 8, clause 1 of the Constitution.

#### COMMITTEE ESTIMATE

Clauses 3(d)(2) of rule XIII of the Rules of the House of Representatives requires an estimate and a comparison by the Committee of the costs that would be incurred in carrying out H.R. 4854. However, clause 3(d)(3)(B) of that rule provides that this requirement does not apply when the Committee has included in its report a timely submitted cost estimate of the bill prepared by the Director of the Congressional Budget Office under section 402 of the Congressional Budget Act.

#### CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3(e) of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

### NATIONAL AND COMMUNITY SERVICE ACT OF 1990

#### SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the “National and Community Service Act of 1990”.

[(b) TABLE OF CONTENTS.—The table of contents is as follows:

[Sec. 1. Short title and table of contents.

[Sec. 2. Findings and purpose.

#### [TITLE I—NATIONAL AND COMMUNITY SERVICE STATE GRANT PROGRAM

##### Subtitle A—General Provisions

[Sec. 101. Definitions.

[Sec. 102. Authority to make State grants.

#### [Subtitle B—School-Based and Community-Based Service-Learning Programs

##### [PART I—SERVE-AMERICA PROGRAMS

##### [SUBPART A—SCHOOL-BASED PROGRAMS FOR STUDENTS

[Sec. 111. Authority to assist States and Indian tribes.

[Sec. 111A. Authority to assist local applicants in nonparticipating States.

[Sec. 111B. Authority to assist public or private nonprofit organizations.

[Sec. 112. Grants and allotments.

[Sec. 113. State or tribal applications.

[Sec. 114. Local applications.

[Sec. 115. Consideration of applications.

[Sec. 115A. Participation of students and teachers from private schools.

[Sec. 116. Federal, State, and local contributions.

- [Sec. 116A. Limitations on uses of funds.
- [Sec. 116B. Definitions.

**[SUBPART B—COMMUNITY-BASED SERVICE PROGRAMS FOR SCHOOL-AGE YOUTH**

- [Sec. 117. Definitions.
- [Sec. 117A. General authority.
- [Sec. 117B. State applications.
- [Sec. 117C. Local applications.
- [Sec. 117D. Consideration of applications.
- [Sec. 117E. Federal, State, and local contributions.
- [Sec. 117F. Limitations on uses of funds.

**[SUBPART C—CLEARINGHOUSE**

- [Sec. 118. Service-learning clearinghouse.

**[PART II—HIGHER EDUCATION INNOVATIVE PROGRAMS FOR COMMUNITY SERVICE**

- [Sec. 119. Higher education innovative programs for community service.

**[Subtitle C—National Service Trust Program**

**[PART I—INVESTMENT IN NATIONAL SERVICE**

- [Sec. 121. Authority to provide assistance and approved national service positions.
- [Sec. 122. Types of national service programs eligible for program assistance.
- [Sec. 123. Types of national service positions eligible for approval for national service educational awards.
- [Sec. 124. Types of program assistance.
- [Sec. 125. Training and technical assistance.
- [Sec. 126. Other special assistance.

**[PART II—APPLICATION AND APPROVAL PROCESS**

- [Sec. 129. Provision of assistance and approved national service positions by competitive and other means.
- [Sec. 130. Application for assistance and approved national service positions.
- [Sec. 131. National service program assistance requirements.
- [Sec. 132. Ineligible service categories.
- [Sec. 133. Consideration of applications.

**[PART III—NATIONAL SERVICE PARTICIPANTS**

- [Sec. 137. Description of participants.
- [Sec. 138. Selection of national service participants.
- [Sec. 139. Terms of service.
- [Sec. 140. Living allowances for national service participants.
- [Sec. 141. National service educational awards.

**[Subtitle D—National Service Trust and Provision of National Service Educational Awards**

- [Sec. 145. Establishment of the National Service Trust.
- [Sec. 146. Individuals eligible to receive a national service educational award from the Trust.
- [Sec. 147. Determination of the amount of the national service educational award.
- [Sec. 148. Disbursement of national service educational awards.

**[Subtitle E—Civilian Community Corps**

- [Sec. 151. Purpose.
- [Sec. 152. Establishment of Civilian Community Corps Demonstration Program.
- [Sec. 153. National service program.
- [Sec. 154. Summer national service program.
- [Sec. 155. Civilian Community Corps.
- [Sec. 156. Training.
- [Sec. 157. Service projects.
- [Sec. 158. Authorized benefits for Corps members.
- [Sec. 159. Administrative provisions.
- [Sec. 160. Status of Corps members and Corps personnel under Federal law.
- [Sec. 161. Contract and grant authority.
- [Sec. 162. Responsibilities of other departments.
- [Sec. 163. Advisory board.
- [Sec. 164. Annual evaluation.

- [Sec. 165. Funding limitation.
- [Sec. 166. Definitions.

#### [Subtitle F—Administrative Provisions

- [Sec. 171. Family and medical leave.
- [Sec. 172. Reports.
- [Sec. 173. Supplementation.
- [Sec. 174. Prohibition on use of funds.
- [Sec. 175. Nondiscrimination.
- [Sec. 176. Notice, hearing, and grievance procedures.
- [Sec. 177. Nonduplication and nondisplacement.
- [Sec. 178. State Commissions on National and Community Service.
- [Sec. 179. Evaluation.
- [Sec. 180. Engagement of participants.
- [Sec. 181. Contingent extension.
- [Sec. 182. Partnerships with schools.
- [Sec. 183. Rights of access, examination, and copying.
- [Sec. 184. Drug-free workplace requirements.

#### [Subtitle G—Corporation for National and Community Service

- [Sec. 191. Corporation for National and Community Service.
- [Sec. 192. Board of Directors.
- [Sec. 192A. Authorities and duties of the Board of Directors.
- [Sec. 193. Chief Executive Officer.
- [Sec. 193A. Authorities and duties of the Chief Executive Officer.
- [Sec. 194. Officers.
- [Sec. 195. Employees, consultants, and other personnel.
- [Sec. 196. Administration.
- [Sec. 196A. Corporation State offices.

#### [Subtitle H—Investment for Quality and Innovation

- [Sec. 198. Additional corporation activities to support national service.
- [Sec. 198A. Clearinghouses.
- [Sec. 198B. Presidential awards for service.
- [Sec. 198C. Military installation conversion demonstration programs.
- [Sec. 198D. Special demonstration project.

#### [Subtitle I—American Conservation and Youth Corps

- [Sec. 199. Short title.
- [Sec. 199A. General authority.
- [Sec. 199B. Limitation on purchase of capital equipment.
- [Sec. 199C. State application.
- [Sec. 199D. Focus of programs.
- [Sec. 199E. Related programs.
- [Sec. 199F. Public lands or Indian lands.
- [Sec. 199G. Training and education services.
- [Sec. 199H. Preference for certain projects.
- [Sec. 199I. Age and citizenship criteria for enrollment.
- [Sec. 199J. Use of volunteers.
- [Sec. 199K. Living allowance.
- [Sec. 199L. Joint programs.
- [Sec. 199M. Federal and State employee status.

### [TITLE II—MODIFICATIONS OF EXISTING PROGRAMS

#### [Subtitle A—Publication

- [Sec. 201. Information for students.
- [Sec. 202. Exit counseling for borrowers.
- [Sec. 203. Department information on deferments and cancellations.
- [Sec. 204. Data on deferments and cancellations.

#### [Subtitle B—Youthbuild Projects

- [Sec. 211. Youthbuild projects.

#### [Subtitle C—Amendments to Student Literacy Corps

- [Sec. 221. Amendments to Student Literacy Corps.

**[TITLE III—POINTS OF LIGHT FOUNDATION**

- [Sec. 301.** Short title.
- [Sec. 302.** Findings and purposes.
- [Sec. 303.** Authority.
- [Sec. 304.** Grants to the Foundation.
- [Sec. 305.** Eligibility of the Foundation for grants.

**[TITLE IV—PROJECTS HONORING VICTIMS OF TERRORIST ATTACKS**

- [Sec. 401.** Projects.

**[TITLE V—AUTHORIZATION OF APPROPRIATIONS**

- [Sec. 501.** Authorization of appropriations.

**[TITLE VI—MISCELLANEOUS PROVISIONS**

- [Sec. 601.** Amtrak waste disposal.
- [Sec. 602.** Exchange program with countries in transition from totalitarianism to Democracy.]

*(b) TABLE OF CONTENTS.—The table of contents is as follows:*

- Sec. 1. Short title and table of contents.*
- Sec. 2. Findings and purpose.*

**TITLE I—NATIONAL AND COMMUNITY SERVICE GRANT PROGRAM**

*Subtitle A—General Provisions*

- Sec. 101. Definitions.*
- Sec. 102. Authority to make State grants.*

*Subtitle B—Service Learning Programs*

**PART I—SERVE-AMERICA PROGRAMS**

- Sec. 111. Assistance to States and Indian tribes.*
- Sec. 112. Allotments.*
- Sec. 113. Applications.*
- Sec. 114. Consideration of applications.*
- Sec. 115. Federal, State, and local contributions.*
- Sec. 116. Limitations on uses of funds.*

**PART II—HIGHER EDUCATION INNOVATIVE PROGRAMS FOR COMMUNITY SERVICE**

- Sec. 119. Higher education innovation programs for community service.*

**PART III—COMMUNITY-BASED PROGRAMS, TRAINING, AND INITIATIVES**

- Sec. 120. Community-based programs, training, and other initiatives.*

**PART IV—CLEARINGHOUSE**

- Sec. 120A. Service-learning clearinghouse.*

*Subtitle C—National Service Trust Programs*

**PART I—INVESTMENT IN NATIONAL SERVICE**

- Sec. 121. Authority to provide assistance and approved national service positions.*
- Sec. 122. Types of national service programs eligible for program assistance.*
- Sec. 123. Types of national service positions eligible for approval for national service educational awards.*
- Sec. 124. Types of program assistance.*
- Sec. 125. Training and technical assistance.*
- Sec. 126. Other special assistance.*

**PART II—APPLICATION AND APPROVAL PROCESS**

- Sec. 129. Provision of assistance and approved national service positions.*
- Sec. 129A. Pilot authority for member-based national service positions.*
- Sec. 129B. Education awards program.*
- Sec. 129C. Fixed amount grants.*
- Sec. 130. Application for assistance and approved national service positions.*
- Sec. 131. National service program assistance requirements.*
- Sec. 132. Ineligible service categories.*
- Sec. 133. Consideration of applications.*

## PART III—NATIONAL SERVICE PARTICIPANTS

- Sec. 137. Description of participants.*
- Sec. 138. Selection of national service participants.*
- Sec. 139. Terms of service.*
- Sec. 140. Living allowances for national service participants.*
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*Subtitle D—National Service Trust and Provision of National Service Educational Awards*

- Sec. 145. Establishment of the National Service Trust.*
- Sec. 146. Individuals eligible to receive a national service educational award from the Trust.*
- Sec. 147. Determination of the amount of the national service educational award.*
- Sec. 148. Disbursement of national service educational awards.*
- Sec. 149. Use by participants with disabilities.*
- Sec. 149A. Service-based scholarships to high school students.*

*Subtitle E—National Civilian Community Corps*

- Sec. 151. Purpose.*
- Sec. 152. Establishment of Civilian Community Corps program.*
- Sec. 153. National service program.*
- Sec. 154. Summer national service program.*
- Sec. 155. Civilian Community Corps.*
- Sec. 156. Training.*
- Sec. 157. Service projects.*
- Sec. 158. Authorized benefits for Corps members.*
- Sec. 159. Administrative provisions.*
- Sec. 160. Status of Corps members and Corps personnel under Federal law.*
- Sec. 161. Contract and grant authority.*
- Sec. 162. Responsibilities of other departments.*
- Sec. 164. Annual evaluation.*
- Sec. 166. Definitions.*
- Sec. 167. Emergency Response Corps.*

*Subtitle F—Administrative Provisions*

- Sec. 171. Family and medical leave.*
- Sec. 172. Reports.*
- Sec. 173. Supplementation.*
- Sec. 174. Prohibition on use of funds.*
- Sec. 175. Nondiscrimination.*
- Sec. 176. Notice, hearing, and grievance procedures.*
- Sec. 177. Nonduplication and nondisplacement.*
- Sec. 178. State Commissions on National and Community Service.*
- Sec. 179. Evaluation.*
- Sec. 180. Engagement of participants.*
- Sec. 181. Contingent extension.*
- Sec. 182. Partnerships with schools.*
- Sec. 183. Rights of access, examination, and copying.*
- Sec. 184. Drug-free workplace requirements.*
- Sec. 185. Consolidated application and reporting requirements.*
- Sec. 186. Accountability for results.*
- Sec. 187. Sustainability.*
- Sec. 188. Use of recovered funds.*
- Sec. 189. Capacity building.*
- Sec. 189A. Expenses of attending meetings.*
- Sec. 189B. Fees.*
- Sec. 189C. Grant periods.*
- Sec. 189D. Generation of volunteers.*
- Sec. 189E. Limitation on program grant costs.*
- Sec. 189F. Notice requirement.*
- Sec. 189G. Audits and reports.*

*Subtitle G—Corporation for National and Community Service*

- Sec. 191. Corporation for National and Community Service.*
- Sec. 192. Board of Directors.*
- Sec. 192A. Authorities and duties of the Board of Directors.*
- Sec. 193. Chief Executive Officer.*
- Sec. 193A. Authorities and duties of the Chief Executive Officer.*

- Sec. 194. *Officers.*
- Sec. 195. *Employees, consultants, and other personnel.*
- Sec. 196. *Administration.*
- Sec. 196A. *Corporation State offices.*

*Subtitle H—Investment for Quality and Innovation*

- Sec. 198. *Additional corporation activities to support national service.*
- Sec. 198A. *Clearinghouses.*
- Sec. 198B. *Presidential awards for service.*
- Sec. 198C. *Military installation conversion demonstration programs.*

*Subtitle I—American Conservation and Youth Corps*

- Sec. 199. *Short title.*
- Sec. 199A. *General authority.*
- Sec. 199B. *Limitation on purchase of capital equipment.*
- Sec. 199C. *State application.*
- Sec. 199D. *Focus of programs.*
- Sec. 199E. *Related programs.*
- Sec. 199F. *Public lands or Indian lands.*
- Sec. 199G. *Training and education services.*
- Sec. 199H. *Preference for certain projects.*
- Sec. 199I. *Age and citizenship criteria for enrollment.*
- Sec. 199J. *Use of volunteers.*
- Sec. 199K. *Living allowance.*
- Sec. 199L. *Joint programs.*
- Sec. 199M. *Federal and State employee status.*

*Subtitle J—Senior Service Scholarships*

- Sec. 199N. *Authority to provide assistance and Senior Service Scholarships.*
- Sec. 199O. *Programs eligible for assistance.*
- Sec. 199P. *Grants.*
- Sec. 199Q. *Funds for Senior Service Scholarships.*
- Sec. 199R. *Eligibility to receive a Senior Service Scholarship.*
- Sec. 199S. *Amount of Senior Service Scholarship.*

*Subtitle K—America's Promise: The Alliance for Youth*

- Sec. 199AA. *Authority to provide assistance.*
- Sec. 199BB. *Allowable costs.*
- Sec. 199CC. *Corporation's Chief Executive Officer as ex officio member of board of directors.*

**TITLE II—MODIFICATIONS OF EXISTING PROGRAMS**

*Subtitle A—Publication*

- Sec. 201. *Information for students.*
- Sec. 202. *Exit counseling for borrowers.*
- Sec. 203. *Department information on deferments and cancellations.*
- Sec. 204. *Data on deferments and cancellations.*

*Subtitle B—Youthbuild Projects*

- Sec. 211. *Youthbuild projects.*

*Subtitle C—Amendments to Student Literacy Corps*

- Sec. 221. *Amendments to Student Literacy Corps.*

**TITLE III—POINTS OF LIGHT FOUNDATION**

- Sec. 301. *Short title.*
- Sec. 302. *Findings and purposes.*
- Sec. 303. *Authority.*
- Sec. 304. *Grants to the Foundation.*
- Sec. 305. *Eligibility of the Foundation for grants.*

**TITLE IV—PROJECTS HONORING VICTIMS OF TERRORIST ATTACKS**

- Sec. 401. *Projects.*

**TITLE V—AUTHORIZATION OF APPROPRIATIONS**

- Sec. 501. *Authorization of appropriations.*

## TITLE VI—MISCELLANEOUS PROVISIONS

*Sec. 601. Amtrak waste disposal.*

*Sec. 602. Exchange program with countries in transition from totalitarianism to democracy.*

**SEC. 2. FINDINGS AND PURPOSE.**

(a) \* \* \*

(b) PURPOSE.—It is the purpose of this Act to—

(1) \* \* \*

\* \* \* \* \*

(7) build on the existing organizational service infrastructure of Federal, State, and local programs and agencies to expand full-time and part-time service opportunities for all citizens; **and**

(8) provide tangible benefits to the communities in which national service is performed**and**;

(9) *expand and strengthen service-learning programs to improve the education of children and youth and to maximize the benefits of national and community service, in order to renew the ethic of civic responsibility and the spirit of community throughout the United States;*

(10) *support efforts to make the nonprofit sector more effective in meeting the unmet human, educational, environmental, and public safety needs of the United States; and*

(11) *assist in coordinating and strengthening Federal and other citizen service opportunities, including opportunities for participation in homeland security preparedness and response, including training for limited duration national service as law enforcement officers, firefighters and rescue personnel, search and rescue personnel, emergency medical service workers, and disaster services workers, other areas of public and social service, and international service.*

## **TITLE I—NATIONAL AND COMMUNITY SERVICE STATE GRANT PROGRAM**

### **Subtitle A—General Provisions**

**SEC. 101. DEFINITIONS.**

For purposes of this title:

(1) \* \* \*

\* \* \* \* \*

(5) COMMUNITY-BASED AGENCY.—The term “community-based agency” means a private nonprofit organization (including a **church or other** religious entity) that—

(A) \* \* \*

\* \* \* \* \*

(13) INSTITUTION OF HIGHER EDUCATION.—The term “institution of higher education” has the same meaning given such term in **section 101(a) of the Higher Education Act of 1965**



*sections 101(a) and 102(a)(1) of the Higher Education Act of 1965.*

\* \* \* \* \*

(17) PARTICIPANT.—  
(A) \* \* \*

(B) RULE.—A participant shall not be considered to be an employee of the [program in which the participant is enrolled] *organization receiving assistance under the national service laws through which the participant is enrolled in an approved national service position.*

\* \* \* \* \*

(21) SCHOOL-AGE YOUTH.—The term “school-age youth” means—

(A) \* \* \*  
(B) children with disabilities, as defined in [section 602(a)(1)] *section 602(3)* of the Individuals with Disabilities Education Act ([20 U.S.C. 1401(a)(1)] *20 U.S.C. 1401(3)*), who receive services under part B of such Act.

\* \* \* \* \*

## **Subtitle B—School-Based and Community-Based Service-Learning Programs**

### **[PART I—SERVE-AMERICA PROGRAMS**

#### **[Subpart A—School-Based Programs for Students**

##### **[SEC. 111. AUTHORITY TO ASSIST STATES AND INDIAN TRIBES.**

[(a) USE OF FUNDS.—The Corporation, in consultation with the Secretary of Education, may make grants under section 112(b)(1), and allotments under subsections (a) and (b)(2) of section 112, to States (through State educational agencies), and to Indian tribes, to pay for the Federal share of—

[(1) planning and building the capacity of the States or Indian tribes (which may be accomplished through grants or contracts with qualified organizations) to implement school-based service-learning programs, including—

[(A) providing training for teachers, supervisors, personnel from community-based agencies (particularly with regard to the utilization of participants), and trainers, to be conducted by qualified individuals or organizations that have experience with service-learning;

[(B) developing service-learning curricula to be integrated into academic programs, including the age-appropriate learning component described in section 114(d)(2);

[(C) forming local partnerships described in paragraph (2) or (4) to develop school-based service-learning programs in accordance with this subpart;

[(D) devising appropriate methods for research and evaluation of the educational value of service-learning and the effect of service-learning activities on communities; and

[(E) establishing effective outreach and dissemination of information to ensure the broadest possible involvement of community-based agencies with demonstrated effectiveness in working with school-age youth in their communities;

[(2) implementing, operating, or expanding school-based service-learning programs, which may include paying for the cost of the recruitment, training, supervision, placement, salaries, and benefits of service-learning coordinators, through State distribution of Federal funds made available under this subpart to projects operated by local partnerships among—

[(A) local educational agencies; and

[(B) one or more community partners that—

[(i) shall include a public or private nonprofit organization that—

[(I) has a demonstrated expertise in the provision of services to meet unmet human, educational, environmental, or public safety needs;

[(II) was in existence at least 1 year before the date on which the organization submitted an application under section 114; and

[(III) will make projects available for participants, who shall be students; and

[(ii) may include a private for-profit business or private elementary or secondary school;

[(3) planning of school-based service-learning programs, through State distribution of Federal funds made available under this subpart to local educational agencies, which planning may include paying for the cost of—

[(A) the salaries and benefits of service-learning coordinators; or

[(B) the recruitment, training, supervision, and placement of service-learning coordinators who are participants in a program under subtitle C or receive a national service educational award under subtitle D,

who will identify the community partners described in paragraph (2)(B) and assist in the design and implementation of a program described in paragraph (2); and

[(4) implementing, operating, or expanding school-based service-learning programs involving adult volunteers to utilize service-learning to improve the education of students, through State distribution of Federal funds made available under this part to local partnerships among—

[(A) local educational agencies; and

[(B) one or more—

[(i) public or private nonprofit organizations;

[(ii) other educational agencies; or

[(iii) private for-profit businesses,

that coordinate and operate projects for participants, who shall be students.

[(b) DUTIES OF SERVICE-LEARNING COORDINATOR.—A service-learning coordinator referred to in paragraph (2) or (3) of subsection (a) shall provide services to a local educational agency by—

[(1) providing technical assistance and information to, and facilitating the training of, teachers who want to use service-learning in their classrooms;

[(2) assisting local partnerships described in subsection (a) in the planning, development, and execution of service-learning projects; and

[(3) carrying out such other duties as the local educational agency may determine to be appropriate.

[(c) **RELATED EXPENSES.**—A partnership, local educational agency, or other qualified organization that receives financial assistance under this subpart may, in carrying out the activities described in subsection (a), use such assistance to pay for the Federal share of reasonable costs related to the supervision of participants, program administration, transportation, insurance, and evaluations, and for other reasonable expenses related to the activities.

**[SEC. 111A. AUTHORITY TO ASSIST LOCAL APPLICANTS IN NON-PARTICIPATING STATES.**

[In any fiscal year in which a State does not submit an application under section 113, for an allotment under subsection (a) or (b)(2) of section 112, that meets the requirements of section 113 and such other requirements as the Chief Executive Officer may determine to be appropriate, the Corporation may use the allotment of that State to make direct grants to pay for the Federal share of the cost of—

[(1) carrying out the activities described in paragraph (2) or (4) of section 111(a), to a local partnership described in such paragraph; or

[(2) carrying out the activities described in paragraph (3) of such section, to an agency described in such paragraph, that is located in the State.

**[SEC. 111B. AUTHORITY TO ASSIST PUBLIC OR PRIVATE NONPROFIT ORGANIZATIONS.**

[(a) **IN GENERAL.**—The Corporation may make grants under section 112(b)(1) to public or private nonprofit organizations that—

[(1) have experience with service-learning;

[(2) were in existence at least 1 year before the date on which the organization submitted an application under section 114(a); and

[(3) meet such other criteria as the Chief Executive Officer may establish.

[(b) **USE OF FUNDS.**—Such organizations may use grants made under subsection (a) to make grants to partnerships described in paragraph (2) or (4) of section 111(a) to implement, operate, or expand school-based service-learning programs as described in such section and provide technical assistance and training to appropriate persons.

**[SEC. 112. GRANTS AND ALLOTMENTS.**

[(a) **INDIAN TRIBES AND TERRITORIES.**—Of the amounts appropriated to carry out this subpart for any fiscal year, the Corporation shall reserve an amount of not more than 3 percent for payments to Indian tribes, the United States Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands, to be allotted in accordance with their respective needs. The Corporation may also make payments from such amount to Palau, in accordance with its needs, until such time as the Compact of Free Association with Palau is ratified.

[(b) GRANTS AND ALLOTMENTS THROUGH STATES.—The Corporation shall use the remainder of the funds appropriated to carry out this subpart for any fiscal year as follows:

[(1) GRANTS.—Except as provided in paragraph (3), from 25 percent of such remainder, the Corporation may make grants, on a competitive basis, to—

[(A) States and Indian tribes; or

[(B) as described in section 111B, to grantmaking entities.

[(2) ALLOTMENTS.—

[(A) SCHOOL-AGE YOUTH.—Except as provided in paragraph (3), from 37.5 percent of such remainder, the Corporation shall allot to each State an amount that bears the same ratio to 37.5 percent of such remainder as the number of school-age youth in the State bears to the total number of school-age youth of all States.

[(B) ALLOCATION UNDER ELEMENTARY AND SECONDARY EDUCATION ACT OF 1965.—Except as provided in paragraph (3), from 37.5 percent of such remainder, the Corporation shall allot to each State an amount that bears the same ratio to 37.5 percent of such remainder as the allocation to the State for the previous fiscal year under title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 2711 et seq.) or its successor authority bears to such allocations to all States.

[(3) MINIMUM AMOUNT.—No State shall receive, under paragraph (2), an allotment that is less than the allotment such State received for fiscal year 1993 under section 112(b) of this Act, as in effect on the day before the date of enactment of this part. If the amount of funds made available in a fiscal year to carry out paragraph (2) is insufficient to make such allotments, the Corporation shall make available sums from the 25 percent described in paragraph (1) for such fiscal year to make such allotments.

[(4) DEFINITION.—Notwithstanding section 101(26), for purposes of this subsection, the term “State” means each of the several States, the District of Columbia, and the Commonwealth of Puerto Rico.

[(c) REALLOTMENT.—If the Corporation determines that the allotment of a State or Indian tribe under this section will not be required for a fiscal year because the State or Indian tribe does not submit an application for the allotment under section 113 that meets the requirements of such section and such other requirements as the Chief Executive Officer may determine to be appropriate, the Corporation shall, after making any grants under section 111A to a partnership or agency described in such section, make any remainder of such allotment available for realLOTment to such other States, and Indian tribes, with approved applications submitted under section 113, as the Corporation may determine to be appropriate.

[(d) EXCEPTION.—Notwithstanding subsections (a) and (b), if less than \$20,000,000 is appropriated for any fiscal year to carry out this subpart, the Corporation shall award grants to States and Indian tribes, from the amount so appropriated, on a competitive

basis to pay for the Federal share of the activities described in section 111.

**[SEC. 113. STATE OR TRIBAL APPLICATIONS.**

**[(a) SUBMISSION.—**To be eligible to receive a grant under section 112(b)(1), an allotment under subsection (a) or (b)(2) of section 112, a reallocation under section 112(c), or a grant under section 112(d), a State, acting through the State educational agency, or an Indian tribe, shall prepare, submit to the Corporation, and obtain approval of, an application at such time and in such manner as the Chief Executive Officer may reasonably require.

**[(b) CONTENTS.—**An application that is submitted under subsection (a) with respect to service-learning programs described in section 111 shall include—

**[(1)** a 3-year strategic plan, or a revision of a previously approved 3-year strategic plan, for promoting service-learning through the programs, which plan shall contain such information as the Chief Executive Officer may reasonably require, including information demonstrating that the programs will be carried out in a manner consistent with the approved strategic plan;

**[(2)** assurances that—

**[(A)** the applicant will keep such records and provide such information to the Corporation with respect to the programs as may be required for fiscal audits and program evaluation; and

**[(B)** the applicant will comply with the nonduplication and nondisplacement requirements of section 177 and the grievance procedure requirements of section 176(f); and

**[(3)** such additional information as the Chief Executive Officer may reasonably require.

**[SEC. 114. LOCAL APPLICATIONS.**

**[(a) APPLICATION TO CORPORATION TO MAKE GRANTS FOR SCHOOL-BASED SERVICE-LEARNING PROGRAMS.—**

**[(1) IN GENERAL.—**To be eligible to receive a grant in accordance with section 111B(a) to make grants relating to school-based service-learning programs described in section 111(a), a grantmaking entity shall prepare, submit to the Corporation, and obtain approval of, an application.

**[(2) SUBMISSION.—**Such application shall be submitted at such time and in such manner, and shall contain such information, as the Chief Executive Officer may reasonably require. Such application shall include a proposal to assist such programs in more than 1 State.

**[(b) DIRECT APPLICATION TO CORPORATION TO CARRY OUT SCHOOL-BASED SERVICE-LEARNING PROGRAMS IN NONPARTICIPATING STATES.—**To be eligible to receive a grant from the Corporation in the circumstances described in section 111A to carry out an activity as described in such section, a partnership or agency described in such section shall prepare, submit to the Corporation, and obtain approval of, an application. Such application shall be submitted at such time and in such manner, and shall contain such information, as the Chief Executive Officer may reasonably require.

**[(c) APPLICATION TO STATE OR INDIAN TRIBE TO RECEIVE ASSISTANCE TO CARRY OUT SCHOOL-BASED SERVICE-LEARNING PROGRAMS.—**

**[(1) IN GENERAL.—Any—**

**[(A)** qualified organization that desires to receive financial assistance under this subpart from a State or Indian tribe for an activity described in section 111(a)(1);

**[(B)** partnership described in section 111(a)(2) that desires to receive such assistance from a State, Indian tribe, or grantmaking entity for an activity described in section 111(a)(2);

**[(C)** agency described in section 111(a)(3) that desires to receive such assistance from a State or Indian tribe for an activity described in such section; or

**[(D)** partnership described in section 111(a)(4) that desires to receive such assistance from a State or Indian tribe for an activity described in such section, to be carried out through a service-learning program described in section 111, shall prepare, submit to the State educational agency, Indian tribe, or grantmaking entity, and obtain approval of, an application for the program.

**[(2) SUBMISSION.—**Such application shall be submitted at such time and in such manner, and shall contain such information, as the agency, tribe, or entity may reasonably require.

**[(d) REGULATIONS.—**The Corporation shall by regulation establish standards for the information and assurances required to be contained in an application submitted under subsection (a) or (b) with respect to a service-learning program described in section 111, including, at a minimum, assurances that—

**[(1)** prior to the placement of a participant, the entity carrying out the program will consult with the appropriate local labor organization, if any, representing employees in the area who are engaged in the same or similar work as that proposed to be carried out by such program, to prevent the displacement and protect the rights of such employees;

**[(2)** the entity carrying out the program will develop an age-appropriate learning component for participants in the program that shall include a chance for participants to analyze and apply their service experiences; and

**[(3)** the entity carrying out the program will comply with the nonduplication and nondisplacement requirements of section 177 and the grievance procedure requirements of section 176(f).

**[(e) LIMITATION ON SAME PROJECT IN MULTIPLE APPLICATIONS.—**No applicant shall submit an application under section 113 or this section, and the Corporation shall reject an application that is submitted under section 113 or this section, if the application describes a project proposed to be conducted using assistance requested by the applicant and the project is already described in another application pending before the Corporation.

**[SEC. 115. CONSIDERATION OF APPLICATIONS.**

**[(a) CRITERIA FOR APPLICATIONS.—**In approving applications for financial assistance under subsection (a), (b), (c), or (d) of section 112, the Corporation shall consider such criteria with respect to sustainability, replicability, innovation, and quality of programs

under this subpart as the Chief Executive Officer may by regulation specify. In providing assistance under this subpart, a State educational agency, Indian tribe, or grantmaking entity shall consider such criteria.

**[(b) PRIORITY FOR LOCAL APPLICATIONS.—**In providing assistance under this subpart, a State educational agency or Indian tribe, or the Corporation if section 111A or 111B applies, shall give priority to entities that submit applications under section 114 with respect to service-learning programs described in section 111 that—

**[(1)** involve participants in the design and operation of the program;

**[(2)** are in the greatest need of assistance, such as programs targeting low-income areas;

**[(3)** involve—

**[(A)** students from public elementary or secondary schools, and students from private elementary or secondary schools, serving together; or

**[(B)** students of different ages, races, sexes, ethnic groups, disabilities, or economic backgrounds, serving together; or

**[(4)** are integrated into the academic program of the participants.

**[(c) REJECTION OF APPLICATIONS.—**If the Corporation rejects an application submitted by a State under section 113 for an allotment under section 112(b)(2), the Corporation shall promptly notify the State of the reasons for the rejection of the application. The Corporation shall provide the State with a reasonable opportunity to revise and resubmit the application and shall provide technical assistance, if needed, to the State as part of the resubmission process. The Corporation shall promptly reconsider such resubmitted application.

**[SEC. 115A. PARTICIPATION OF STUDENTS AND TEACHERS FROM PRIVATE SCHOOLS.**

**[(a) IN GENERAL.—**To the extent consistent with the number of students in the State or Indian tribe or in the school district of the local educational agency involved who are enrolled in private non-profit elementary and secondary schools, such State, Indian tribe, or agency shall (after consultation with appropriate private school representatives) make provision—

**[(1)** for the inclusion of services and arrangements for the benefit of such students so as to allow for the equitable participation of such students in the programs implemented to carry out the objectives and provide the benefits described in this subpart; and

**[(2)** for the training of the teachers of such students so as to allow for the equitable participation of such teachers in the programs implemented to carry out the objectives and provide the benefits described in this subpart.

**[(b) WAIVER.—**If a State, Indian tribe, or local educational agency is prohibited by law from providing for the participation of students or teachers from private nonprofit schools as required by subsection (a), or if the Corporation determines that a State, Indian tribe, or local educational agency substantially fails or is unwilling to provide for such participation on an equitable basis, the Chief Executive Officer shall waive such requirements and shall arrange

for the provision of services to such students and teachers. Such waivers shall be subject to consultation, withholding, notice, and judicial review requirements in accordance with paragraphs (3) and (4) of section 1017(b) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 2727(b)), as in effect on the day preceding the date of enactment of the Improving America's Schools Act of 1994.

**[SEC. 116. FEDERAL, STATE, AND LOCAL CONTRIBUTIONS.**

**[(a) SHARE.—**

**[(1) IN GENERAL.—**The Federal share attributable to this subpart of the cost of carrying out a program for which a grant or allotment is made under this subpart may not exceed—

**[(A)** 90 percent of the total cost of the program for the first year for which the program receives assistance under this subpart;

**[(B)** 80 percent of the total cost of the program for the second year for which the program receives assistance under this subpart;

**[(C)** 70 percent of the total cost of the program for the third year for which the program receives assistance under this subpart; and

**[(D)** 50 percent of the total cost of the program for the fourth year, and for any subsequent year, for which the program receives assistance under this subpart.

**[(2) CALCULATION.—**In providing for the remaining share of the cost of carrying out such a program, each recipient of assistance under this subpart—

**[(A)** shall provide for such share through a payment in cash or in kind, fairly evaluated, including facilities, equipment, or services; and

**[(B)** may provide for such share through State sources, local sources, or Federal sources (other than funds made available under the national service laws).

**[(b) WAIVER.—**The Chief Executive Officer may waive the requirements of subsection (a) in whole or in part with respect to any such program in any fiscal year if the Corporation determines that such a waiver would be equitable due to a lack of available financial resources at the local level.

**[SEC. 116A. LIMITATIONS ON USES OF FUNDS.**

**[(a) ADMINISTRATIVE COSTS.—**

**[(1) LIMITATION.—**Not more than 5 percent of the amount of assistance provided to a State educational agency, Indian tribe, or grantmaking entity that is the original recipient of a grant or allotment under subsection (a), (b), (c), or (d) of section 112 for a fiscal year may be used to pay for administrative costs incurred by—

**[(A)** the original recipient; or

**[(B)** the entity carrying out the service-learning programs supported with the assistance.

**[(2) RULES ON USE.—**The Chief Executive Officer may by rule prescribe the manner and extent to which—

**[(A)** such assistance may be used to cover administrative costs; and



[(B) that portion of the assistance available to cover administrative costs should be distributed between—

[(i) the original recipient; and

[(ii) the entity carrying out the service-learning programs supported with the assistance.

**[(b) CAPACITY-BUILDING ACTIVITIES.—**

[(1) IN GENERAL.—Except as provided in paragraph (2), not less than 10 percent and not more than 15 percent of the amount of assistance provided to a State educational agency or Indian tribe that is the original recipient of a grant or allotment under subsection (a), (b), (c), or (d) of section 112 for a fiscal year may be used to build capacity through training, technical assistance, curriculum development, and coordination activities, described in section 111(a)(1).

[(2) WAIVER.—The Chief Executive Officer may waive the requirements of paragraph (1) in order to permit an agency or a tribe to use not less than 10 percent and not more than 20 percent of such amount to build capacity as provided in paragraph (1). To be eligible to receive such a waiver such an agency or tribe shall submit an application to the Chief Executive Officer at such time, in such manner, and containing such information as the Chief Executive Officer may require.

[(c) LOCAL USES OF FUNDS.—Funds made available under this subpart may not be used to pay any stipend, allowance, or other financial support to any student who is a participant under this subtitle, except reimbursement for transportation, meals, and other reasonable out-of-pocket expenses directly related to participation in a program assisted under this subpart.

**[SEC. 116B. DEFINITIONS.**

[As used in this subpart:

[(1) GRANTMAKING ENTITY.—The term “grantmaking entity” means an organization described in section 111B(a).

[(2) SCHOOL-BASED.—The term “school-based” means based in an elementary school or a secondary school.

[(3) STUDENT.—Notwithstanding section 101(29), the term “student” means an individual who is enrolled in an elementary or secondary school on a full- or part-time basis.

**[Subpart B—Community-Based Service Programs for School-Age Youth**

**[SEC. 117. DEFINITIONS.**

[As used in this subpart:

[(1) COMMUNITY-BASED SERVICE PROGRAM.—The term “community-based service program” means a program described in section 117A(b)(1)(A).

[(2) GRANTMAKING ENTITY.—The term “grantmaking entity” means a qualified organization that—

[(A) submits an application under section 117C(a) to make grants to qualified organizations;

[(B) was in existence at least 1 year before the date on which the organization submitted the application; and

[(C) meets such other criteria as the Chief Executive Officer shall establish.

[(3) QUALIFIED ORGANIZATION.—The term “qualified organization” means a public or private nonprofit organization with experience working with school-age youth that meets such criteria as the Chief Executive Officer may establish.

**[SEC. 117A. GENERAL AUTHORITY.**

[(a) GRANTS.—From the funds appropriated to carry out this subpart for a fiscal year, the Corporation may make grants to State Commissions, grantmaking entities, and qualified organizations to pay for the Federal share of the implementation, operation, expansion, or replication of community-based service programs.

[(b) USE OF FUNDS.—

[(1) STATE COMMISSIONS AND GRANTMAKING ENTITIES.—A State Commission or grantmaking entity may use a grant made under subsection (a)—

[(A) to make a grant to a qualified organization to implement, operate, expand, or replicate a community-based service program that provides for meaningful human, educational, environmental, or public safety service by participants, who shall be school-age youth; or

[(B) to provide training and technical assistance to such an organization.

[(2) QUALIFIED ORGANIZATIONS.—A qualified organization, other than a grantmaking entity, may use a grant made under subsection (a) to implement, operate, expand, or replicate a program described in paragraph (1)(A).

**[SEC. 117B. STATE APPLICATIONS.**

[(a) IN GENERAL.—To be eligible to receive a grant under section 117A(a), a State Commission shall prepare, submit to the Corporation, and obtain approval of, an application.

[(b) SUBMISSION.—Such application shall be submitted to the Corporation at such time and in such manner, and shall contain such information, as the Chief Executive Officer may reasonably require.

[(c) CONTENTS.—Such an application shall include, at a minimum, a State plan that contains the information and assurances described in section 117C(d) with respect to each community-based service program proposed to be carried out through funding distributed by the State Commission under this subpart.

**[SEC. 117C. LOCAL APPLICATIONS.**

[(a) APPLICATION TO CORPORATION TO MAKE GRANTS FOR COMMUNITY-BASED SERVICE PROGRAMS.—To be eligible to receive a grant from the Corporation under section 117A(a) to make grants under section 117A(b)(1), a grantmaking entity shall prepare, submit to the Corporation, and obtain approval of, an application that proposes a community-based service program to be carried out through grants made to qualified organizations. Such application shall be submitted at such time and in such manner, and shall contain such information, as the Chief Executive Officer may reasonably require.

[(b) DIRECT APPLICATION TO CORPORATION TO CARRY OUT COMMUNITY-BASED SERVICE PROGRAMS.—To be eligible to receive a grant from the Corporation under section 117A(a) to implement, operate, expand, or replicate a community service program, a qualified organization shall prepare, submit to the Corporation, and ob-

tain approval of, an application that proposes a community-based service program to be carried out at multiple sites, or that proposes an innovative community-based service program. Such application shall be submitted at such time and in such manner, and shall contain such information, as the Chief Executive Officer may reasonably require.

**[(c) APPLICATION TO STATE COMMISSION OR GRANTMAKING ENTITY TO RECEIVE GRANTS TO CARRY OUT COMMUNITY-BASED SERVICE PROGRAMS.—**To be eligible to receive a grant from a State Commission or grantmaking entity under section 117A(b)(1), a qualified organization shall prepare, submit to the Commission or entity, and obtain approval of, an application. Such application shall be submitted at such time and in such manner, and shall contain such information, as the Commission or entity may reasonably require.

**[(d) REGULATIONS.—**The Corporation shall by regulation establish standards for the information and assurances required to be contained in an application submitted under subsection (a) or (b) with respect to a community-based service program, including, at a minimum—

**[(1)** an assurance that the entity carrying out the program proposed by the applicant will comply with the nonduplication and nondisplacement provisions of section 177 and the grievance procedure requirements of section 176(f);

**[(2)** an assurance that the entity carrying out the program will, prior to placing a participant in the program, consult with the appropriate local labor organization, if any, representing employees in the area in which the program will be carried out that are engaged in the same or similar work as the work proposed to be carried out by the program, to prevent the displacement of such employees; and

**[(3)** in the case of an application submitted by a grantmaking entity, information demonstrating that the entity will make grants for a program to—

**[(A)** carry out activities described in section 117A(b)(1) in two or more States, under circumstances in which the activities carried out under such program can be carried out more efficiently through one program than through two or more programs; and

**[(B)** carry out the same activities, such as training activities or activities related to exchanging information on service experiences, through each of the projects assisted through the program.

**[(e) LIMITATION ON SAME PROJECT IN MULTIPLE APPLICATIONS.—**No applicant shall submit an application under section 117B or this section, and the Corporation shall reject an application that is submitted under section 117B or this section, if the application describes a project proposed to be conducted using assistance requested by the applicant and the project is already described in another application pending before the Corporation.

#### **[SEC. 117D. CONSIDERATION OF APPLICATIONS.**

**[(a) APPLICATION OF CRITERIA.—**The Corporation shall apply the criteria described in subsection (b) in determining whether to approve an application submitted under section 117B or under subsection (a) or (b) of section 117C and to provide assistance under section 117A to the applicant on the basis of the application.

**[(b) ASSISTANCE CRITERIA.**—In evaluating such an application with respect to a program under this subpart, the Corporation shall consider the criteria established for national service programs under section 133(c).

**[(c) APPLICATION TO SUBGRANTS.**—A State Commission or grantmaking entity shall apply the criteria described in subsection (b) in determining whether to approve an application under section 117C(c) and to make a grant under section 117A(b)(1) to the applicant on the basis of the application.

**[SEC. 117E. FEDERAL, STATE, AND LOCAL CONTRIBUTIONS.**

**[(a) FEDERAL SHARE.**—

**[(1) IN GENERAL.**—The Federal share attributable to this subpart of the cost of carrying out a program for which a grant is made under this subpart may not exceed the percentage specified in subparagraph (A), (B), (C), or (D) of section 116(a)(1), as appropriate.

**[(2) CALCULATION.**—Each recipient of assistance under this subpart shall comply with section 116(a)(2).

**[(b) WAIVER.**—The Chief Executive Officer may waive the requirements of subsection (a), in whole or in part, as provided in section 116(b).

**[SEC. 117F. LIMITATIONS ON USES OF FUNDS.**

**[(a) ADMINISTRATIVE COSTS.**—Not more than 5 percent of the amount of assistance provided to a State Commission, grantmaking entity, or qualified organization that is the original recipient of a grant under section 117A(a) for a fiscal year may be used to pay for administrative costs incurred by—

**[(1) the original recipient; or**

**[(2) the entity carrying out the community-based service programs supported with the assistance.**

**[(b) RULES ON USE.**—The Chief Executive Officer may by rule prescribe the manner and extent to which—

**[(1) such assistance may be used to cover administrative costs; and**

**[(2) that portion of the assistance available to cover administrative costs should be distributed between—**

**[(A) the original recipient; and**

**[(B) the entity carrying out the community-based service programs supported with the assistance.**

## **[Subpart C—Clearinghouse**

**[SEC. 118. SERVICE-LEARNING CLEARINGHOUSE.**

**[(a) IN GENERAL.**—The Corporation shall provide financial assistance, from funds appropriated to carry out subtitle H, to organizations described in subsection (b) to establish a clearinghouse, which shall carry out activities, either directly or by arrangement with another such organization, with respect to information about service-learning.

**[(b) PUBLIC OR PRIVATE NONPROFIT ORGANIZATIONS.**—Public or private nonprofit organizations that have extensive experience with service-learning, including use of adult volunteers to foster service-learning, shall be eligible to receive assistance under subsection (a).

[(c) FUNCTION OF CLEARINGHOUSE.—An organization that receives assistance under subsection (a) may—

[(1) assist entities carrying out State or local service-learning programs with needs assessments and planning;

[(2) conduct research and evaluations concerning service-learning;

[(3)(A) provide leadership development and training to State and local service-learning program administrators, supervisors, service sponsors, and participants; and

[(B) provide training to persons who can provide the leadership development and training described in subparagraph (A);

[(4) facilitate communication among entities carrying out service-learning programs and participants in such programs;

[(5) provide information, curriculum materials, and technical assistance relating to planning and operation of service-learning programs, to States and local entities eligible to receive financial assistance under this title;

[(6) provide information regarding methods to make service-learning programs accessible to individuals with disabilities;

[(7)(A) gather and disseminate information on successful service-learning programs, components of such successful programs, innovative youth skills curricula related to service-learning, and service-learning projects; and

[(B) coordinate the activities of the Clearinghouse with appropriate entities to avoid duplication of effort;

[(8) make recommendations to State and local entities on quality controls to improve the quality of service-learning programs;

[(9) assist organizations in recruiting, screening, and placing service-learning coordinators; and

[(10) carry out such other activities as the Chief Executive Officer determines to be appropriate.】

## **PART I—PROGRAMS FOR ELEMENTARY AND SECONDARY STUDENTS**

### **SEC. 111. ASSISTANCE TO STATES AND INDIAN TRIBES.**

(a) *ALLOTMENTS TO STATES, TERRITORIES, AND INDIAN TRIBES.—The Corporation, in consultation with the Secretary of Education, may make allotments to State educational agencies, United States territories, and Indian tribes to pay for the Federal share of—*

*(1) planning and building the capacity within the State to implement service-learning programs that are based principally in elementary and secondary schools, including—*

*(A) providing training for teachers, supervisors, personnel from community-based agencies (particularly with regard to the utilization of participants), and trainers, to be conducted by qualified individuals or organizations that have experience with service-learning;*

*(B) developing service-learning curricula, consistent with State or local student academic achievement standards, to be integrated into academic programs, including an age-appropriate learning component that provides participants an opportunity to analyze and apply their service experiences;*

(C) forming local partnerships described in paragraph (2) or (4) to develop school-based service-learning programs in accordance with this part;

(D) devising appropriate methods for research and evaluation of the educational value of service-learning and the effect of service-learning activities on communities; and

(E) establishing effective outreach and dissemination of information to ensure the broadest possible involvement of community-based agencies with demonstrated effectiveness in working with school-age youth in their communities;

(2) implementing, operating, or expanding school-based service-learning programs, which may include paying for the cost of the recruitment, training, supervision, placement, salaries, and benefits of service-learning coordinators, through distribution of Federal funds by State educational agencies made available under this part to projects operated by local partnerships among—

(A) local educational agencies; and

(B) 1 or more community partners that—

(i) shall include a public or private nonprofit organization that—

(I) has a demonstrated expertise in the provision of services to meet unmet human, education, environmental, or public safety needs; and

(II) will make projects available for participants, who shall be students; and

(ii) may include a private for-profit business or private elementary or secondary school;

(3) planning of school-based service-learning programs, through distribution by State educational agencies of Federal funds made available under this part to local educational agencies, which planning may include paying for the cost of—

(A) the salaries and benefits of service-learning coordinators; or

(B) the recruitment, training, supervision, and placement of service-learning coordinators who may be participants in a program under subtitle C or receive a national service educational award under subtitle D,

who will identify the community partners described in paragraph (2)(B) and assist in the design and implementation of a program described in paragraph (2); or

(4) implementing, operating, or expanding school-based service-learning programs to utilize service-learning to improve the education of students, through distribution by State educational agencies of Federal funds made available under this part to—

(A) local educational agencies;

(B) public or private nonprofit organizations;

(C) other educational agencies; or

(D) partnerships or combinations of local educational agencies and entities described in subparagraphs (B) and (C).

(b) **DUTIES OF SERVICE-LEARNING COORDINATOR.**—A service-learning coordinator referred to in paragraph (2) or (3) of subsection (a) shall provide services that may include—

(1) *providing technical assistance and information to, and facilitating the training of, teachers who want to use service-learning in their classrooms;*

(2) *assisting local partnerships described in subsection (a) in the planning, development, and execution of service-learning projects; and*

(3) *carrying out such other duties as the recipient of assistance under this part may determine to be appropriate.*

(c) *RELATED EXPENSES.*—An entity that receives financial assistance under this part may, in carrying out the activities described in subsection (a), use such assistance to pay for the Federal share of reasonable costs related to the supervision of participants, program administration, transportation, insurance, and evaluations and for other reasonable expenses related to the activities.

**SEC. 112. ALLOTMENTS.**

(a) *INDIAN TRIBES AND TERRITORIES.*—Of the amounts appropriated to carry out this part for any fiscal year, the Corporation shall reserve an amount of not more than 3 percent for payments to Indian tribes, the United States Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands, to be allotted in accordance with their respective needs.

(b) *ALLOTMENTS THROUGH STATES.*—After reserving amounts under subsection (a), the Corporation shall use the remainder of the funds appropriated to carry out this part for any fiscal year as follows:

(1) *ALLOTMENTS.*—

(A) *SCHOOL-AGE YOUTH.*—From 50 percent of such remainder, the Corporation shall allot to each State an amount that bears the same ratio to 50 percent of such remainder as the number of school-age youth in the State bears to the total number of school-age youth of all States.

(B) *ALLOCATION UNDER ELEMENTARY AND SECONDARY EDUCATION ACT OF 1965.*—From 50 percent of such remainder, the Corporation shall allot to each State an amount that bears the same ratio to 50 percent of such remainder as the allocation to the State for the previous fiscal year under title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 2711 et seq.) or its successor authority bears to such allocations to all States.

(2) *DEFINITION.*—Notwithstanding section 101(26), for purposes of this subsection, the term “State” means each of the several States, the District of Columbia, and the Commonwealth of Puerto Rico.

(c) *REALLOTMENT.*—If the Corporation determines that the allotment of a State or Indian tribe under this section will not be required for a fiscal year because the State or Indian tribe does not submit an application for the allotment under section 113 that meets the requirements of such section and such other requirements as the Chief Executive Officer may determine to be appropriate, the Corporation shall make any remainder of such allotment available for reallocation to such other States and Indian tribes, with approved applications submitted under section 113, as the Corporation may determine to be appropriate.

**SEC. 113. APPLICATIONS.**

An application for an allotment under this part shall include—

(1) a proposal for a 3-year plan promoting service-learning, which shall contain such information as the Chief Executive Officer may reasonably require, including how the applicant will integrate service opportunities into the academic program of the participants;

(2) information, when applicable, about the applicant's efforts to—

(A) include any opportunities for students enrolled in schools or other programs of education providing elementary or secondary education under State law to participate in service-learning programs and ensure that such service-learning programs include opportunities for such students to serve together;

(B) involve participants in the design and operation of the program;

(C) promote service-learning in areas of greatest need, including low-income areas;

(D) ensure that students of different ages, races, sexes, ethnic groups, disabilities, and economic backgrounds have opportunities to serve together; and

(E) otherwise integrate service opportunities into the academic program of the participants; and

(3) assurances that the applicant will comply with the non-duplication and nondisplacement requirements of section 177 and the grievance procedures required by section 176.

**SEC. 114. CONSIDERATION OF APPLICATIONS.**

In considering applications under this part, the Corporation shall use criteria that include those approved by the Board of Directors.

**SEC. 115. FEDERAL, STATE, AND LOCAL CONTRIBUTIONS.**

(a) **FEDERAL SHARE.**—

(1) **IN GENERAL.**—The Federal share of the cost of carrying out a program for which a grant is made under this part may not exceed 50 percent of the total cost of the program.

(2) **NON-FEDERAL CONTRIBUTION.**—In providing for the remaining share of the cost of carrying out such a program, each recipient of a grant under this part—

(A) shall provide for such share through a payment in cash or in kind, fairly evaluated, including facilities, equipment, or services; and

(B) may provide for such share through State sources or local sources.

(b) **WAIVER.**—The Chief Executive Officer may waive the requirements of subsection (a) in whole or in part with respect to any such program in any fiscal year if the Corporation determines that such a waiver would be equitable due to a lack of available financial resources at the local level.

**SEC. 116. LIMITATIONS ON USES OF FUNDS.**

Not more than 5 percent of the amount of assistance received by an applicant in a fiscal year may be used to pay for administrative costs, in accordance with such standards as the Corporation may issue.



## PART II—HIGHER EDUCATION INNOVATIVE PROGRAMS FOR COMMUNITY SERVICE

### SEC. 119. HIGHER EDUCATION INNOVATIVE PROGRAMS FOR COMMUNITY SERVICE.

(a) \* \* \*

\* \* \* \* \*

[(c) FEDERAL SHARE.—

[(1) SHARE.—

[(A) IN GENERAL.—The Federal share of the cost of carrying out a community service project for which a grant or contract is awarded under this part may not exceed 50 percent.

[(B) CALCULATION.—Each recipient of assistance under this part shall comply with section 116(a)(2).

[(2) WAIVER.—The Chief Executive Officer may waive the requirements of paragraph (1), in whole or in part, as provided in section 116(b).

[(d) APPLICATION FOR GRANT.—

[(1) SUBMISSION.—To receive a grant or enter into a contract under this part, an institution or partnership described in subsection (b) shall prepare, submit to the Corporation, and obtain approval of, an application at such time, in such manner, and containing such information and assurances as the Corporation may reasonably require. In requesting applications for assistance under this part, the Corporation shall specify such required information and assurances.

[(2) CONTENTS.—An application submitted under paragraph (1) shall contain, at a minimum—

[(A) assurances that—

[(i) prior to the placement of a participant, the applicant will consult with the appropriate local labor organization, if any, representing employees in the area who are engaged in the same or similar work as that proposed to be carried out by such program, to prevent the displacement and protect the rights of such employees; and

[(ii) the applicant will comply with the nonduplication and nondisplacement provisions of section 177 and grievance procedure requirements of section 176(f); and

[(B) such other assurances as the Chief Executive Officer may reasonably require.

[(e) PRIORITY.—

[(1) IN GENERAL.—In making grants and entering into contracts under subsection (b), the Corporation shall give priority to applicants that submit applications containing proposals that—

[(A) demonstrate the commitment of the institution of higher education, other than by demonstrating the commitment of the students, to supporting the community service projects carried out under the program;

[(B) specify the manner in which the institution will promote faculty, administration, and staff participation in the community service projects;

[(C) specify the manner in which the institution will provide service to the community through organized programs, including, where appropriate, clinical programs for students in professional schools;

[(D) describe any partnership that will participate in the community service projects, such as a partnership comprised of—

[(i) the institution;

[(ii)(I) a community-based agency;

[(II) a local government agency; or

[(III) a nonprofit entity that serves or involves school-age youth or older adults; and

[(iii) a student organization;

[(E) demonstrate community involvement in the development of the proposal;

[(F) specify that the institution will use such assistance to strengthen the service infrastructure in institutions of higher education; or

[(G) with respect to projects involving delivery of service, specify projects that involve leadership development of school-age youth.

[(2) DETERMINATION.—In giving priority to applicants under paragraph (1), the Corporation shall give increased priority to such an applicant for each characteristic described in subparagraphs (A) through (G) of paragraph (1) that is reflected in the application submitted by the applicant.

[(f) NATIONAL SERVICE EDUCATIONAL AWARD.—A participant in a program funded under this part shall be eligible for the national service educational award described in subtitle D, if the participant served in an approved national service position.

[(g) DEFINITION.—Notwithstanding section 101(29), as used in this part, the term “student” means an individual who is enrolled in an institution of higher education on a full- or part-time basis.】

(c) *SPECIAL CONSIDERATION.—To the extent practicable, the Corporation shall give special consideration to applications submitted by Historically Black Colleges and Universities, Hispanic-serving institutions, and Tribal Colleges and Universities.*

(d) *FEDERAL, STATE, AND LOCAL CONTRIBUTIONS.—*

(1) *FEDERAL SHARE.—*

(A) *IN GENERAL.—The Federal share of the cost of carrying out a program for which a grant is made under this part may not exceed 50 percent of the total cost of the program.*

(B) *NON-FEDERAL CONTRIBUTION.—In providing for the remaining share of the cost of carrying out such a program, each recipient of a grant under this part—*

(i) *shall provide for such share through a payment in cash or in kind, fairly evaluated, including facilities, equipment, or services; and*

(ii) *may provide for such share through State sources or local sources.*

(2) *WAIVER.*—*The Chief Executive Officer may waive the requirements of subsection (a) in whole or in part with respect to any such program in any fiscal year if the Corporation determines that such a waiver would be equitable due to a lack of available financial resources at the local level.*

(e) *APPLICATION FOR GRANT.*—

(1) *SUBMISSION.*—*To receive a grant or enter into a contract under this part, an applicant shall prepare, submit to the Corporation, and obtain approval of, an application at such time, in such manner, and containing such information and assurances as the Corporation may reasonably require. In requesting applications for assistance under this part, the Corporation shall specify such required information and assurances.*

(2) *CONTENTS.*—*An application submitted under paragraph (1) shall contain, at a minimum—*

(A) *assurances that—*

(i) *prior to the placement of a participant, the applicant will consult with the appropriate local labor organization, if any, representing employees in the area who are engaged in the same or similar work as that proposed to be carried out by such program, to prevent the displacement and protect the rights of such employees; and*

(ii) *the applicant will comply with the nonduplication and nondisplacement provisions of section 177 and the grievance procedures required by section 176; and*

(B) *such other assurances as the Chief Executive Officer may reasonably require.*

(f) *PRIORITY.*—*In making grants and entering into contracts under subsection (b), the Corporation shall give priority to applicants that submit applications containing proposals that—*

(1) *demonstrate the commitment of the institution of higher education, other than by demonstrating the commitment of the students, to supporting the community service projects carried out under the program;*

(2) *specify the manner in which the institution will promote faculty, administration, and staff participation in the community service projects;*

(3) *specify the manner in which the institution will provide service to the community through organized programs, including, where appropriate, clinical programs for students in professional schools;*

(4) *describe any partnership that will participate in the community service projects, such as a partnership comprised of—*

(A) *the institution;*

(B)(i) *a community-based agency;*

(ii) *a local government agency; or*

(iii) *a non-profit entity that serves or involves school-age youth or older adults; and*

(C) *a student organization;*

(5) *demonstrate community involvement in the development of the proposal;*

(6) *describe research designed to identify best practices and other methods to improve service-learning;*

(7) specify that the institution will use such assistance to strengthen the service infrastructure in institutions of higher education; or

(8) with respect to projects involving delivery of services, specify projects that involve leadership development of school aged youth.

(g) *DEFINITION.*—Notwithstanding section 101(29), as used in this part, the term “student” means an individual who is enrolled in an institution of higher education on a full- or part-time basis.

(h) *FEDERAL WORK-STUDY.*—To be eligible for assistance under this part, an institution of higher education must demonstrate that it meets the minimum requirements under section 443(b)(2)(B) of the Higher Education Act of 1965 (42 U.S.C. 2753(b)(2)(B)) relating to the participation of Federal Work-Study students in community service activities, or has received a waiver of those requirements from the Secretary of Education.

### **PART III—COMMUNITY-BASED PROGRAMS, TRAINING, AND OTHER INITIATIVES**

#### **SEC. 120. COMMUNITY-BASED PROGRAMS, TRAINING, AND OTHER INITIATIVES.**

(a) *METHODS OF SUPPORTING ACTIVITIES.*—From the funds appropriated to carry out this part for a fiscal year, the Corporation may make grants to, or enter into contracts or cooperative agreements with, eligible entities.

(b) *ELIGIBLE ENTITIES.*—Eligible entities under this part are public or private nonprofit organizations, State education agencies, State commissions on national and community service, institutions of higher education, and consortia of such entities.

(c) *AUTHORIZED ACTIVITIES.*—Funds appropriated to carry out this part may be used to—

(1) conduct community-based programs that provide for meaningful human, educational, environmental, or public safety service by school-age participants;

(2) provide training or technical assistance to support service-learning;

(3) involve students in emergency preparedness and homeland security activities;

(4) promote the recognition of students who perform outstanding community service and schools that have implemented outstanding service-learning programs; and

(5) carry out demonstration programs, research, and evaluation related to service-learning.

(d) *LIMITATION ON FEDERAL SHARE OF COMMUNITY-BASED PROGRAM COSTS.*—

(1) *IN GENERAL.*—Except as provided in paragraph (4), the Federal share of the cost of carrying out a program for which a grant is made under this part may not exceed 50 percent of the total cost of the program.

(2) *NON-FEDERAL CONTRIBUTION.*—In providing for the remaining share of the cost of carrying out such a program, each recipient of assistance under this part—

(A) shall provide for such share through a payment in cash or in kind, fairly evaluated, including facilities, equipment, or services; and

(B) may provide for such share through State sources or local sources.

(3) **WAIVER.**—The Chief Executive Officer may waive the requirements of paragraph (1) in whole or in part with respect to any such program in any fiscal year if the Corporation determines that such a waiver would be equitable due to a lack of available financial resources at the local level.

(4) **EXEMPTION.**—The requirements in paragraph (1) shall not apply to entities that receive a grant or enter into a cooperative agreement or contract to provide training or technical assistance, recognition, demonstration, research, or evaluation under this part.

## **PART IV—CLEARINGHOUSE**

### **SEC. 120A. SERVICE-LEARNING CLEARINGHOUSE.**

(a) **IN GENERAL.**—The Corporation shall provide financial assistance, from funds appropriated to carry out subtitle H, to organizations described in subsection (b) to establish a clearinghouse, which shall carry out activities, either directly or by arrangement with another such organization, with respect to information about service-learning.

(b) **PUBLIC OR PRIVATE NONPROFIT ORGANIZATIONS.**—Public or private nonprofit organizations that have extensive experience with service-learning, including use of adult volunteers to foster service-learning, shall be eligible to receive assistance under subsection (a).

(c) **FUNCTION OF CLEARINGHOUSE.**—An organization that receives assistance under subsection (a) may—

(1) assist entities carrying out State or local service-learning programs with needs assessments and planning;

(2) conduct research and evaluations concerning service-learning;

(3)(A) provide leadership development and training to State and local service-learning program administrators, supervisors, service sponsors, and participants; and

(B) provide training to persons who can provide the leadership development and training described in subparagraph (A);

(4) facilitate communication among entities carrying out service-learning programs and participants in such programs;

(5) provide information, curriculum materials, and technical assistance relating to planning and operation of service-learning programs, to States and local entities eligible to receive financial assistance under this title;

(6) provide information regarding methods to make service-learning programs accessible to individuals with disabilities;

(7)(A) gather and disseminate information on successful service-learning programs, components of such successful programs, innovative youth skills curricula related to service-learning, and service-learning projects; and

(B) coordinate the activities of the Clearinghouse with appropriate entities to avoid duplication of effort;

- (8) *make recommendations to State and local entities on quality controls to improve the quality of service-learning programs;*
- (9) *assist organizations in recruiting, screening, and placing service-learning coordinators; and*
- (10) *carry out such other activities as the Chief Executive Officer determines to be appropriate.*

## Subtitle C—National Service Trust Program

### PART I—INVESTMENT IN NATIONAL SERVICE

#### SEC. 121. AUTHORITY TO PROVIDE ASSISTANCE AND APPROVED NATIONAL SERVICE POSITIONS.

(a) \* \* \*

(b) *RESTRICTIONS ON AGREEMENTS WITH FEDERAL AGENCIES.—*

(1) *AGREEMENTS AUTHORIZED.—*The Corporation may enter into a contract or cooperative agreement with another Federal agency to support a national service program carried out [by the agency. The support provided by the Corporation pursuant to the contract or cooperative agreement may include the transfer to the Federal agency of funds available to the Corporation under this subtitle.] *by the agency, including programs under the Public Lands Corps and Urban Youth Corps as described in section 122(a)(2).*

[(2) *MATCHING FUNDS REQUIREMENTS.—*A Federal agency receiving assistance under this subsection shall not be required to satisfy the matching funds requirements specified in subsection (e). However, the supplementation requirements specified in section 173 shall apply with respect to the Federal national service programs supported with such assistance.]

(2) *PROHIBITION ON GRANTS.—*The Corporation may not provide a grant under this section to a Federal agency.

(3) *CONSULTATION WITH STATE COMMISSIONS.—*A Federal agency [receiving assistance under this subsection] *operating a national service program* shall consult with the State Commissions for those States in which projects will be conducted [using such assistance] in order to ensure that the projects do not duplicate projects conducted by State or local national service programs.

\* \* \* \* \*

(c) *PROVISION OF APPROVED NATIONAL SERVICE POSITIONS.—*As part of the provision of [assistance under subsections (a) and (b)] *assistance under subsection (a), or in conjunction with approving member-based national service positions under section 129A,* the Corporation shall—

(1) approve the provision of national service educational awards described in subtitle D for the participants who serve in national service programs [carried out using such assistance] *carried out using such assistance or in national service positions approved under section 129A;* and

(2) deposit in the National Service Trust established in section 145(a) an amount equal to the product of—

(A) \* \* \*

(B) the total number of approved national service positions ~~to be provided~~ *to be provided or otherwise approved*.

(d) FIVE PERCENT LIMITATION ON ADMINISTRATIVE COSTS.—

(1) LIMITATION.—Not more than 5 percent of the amount of assistance provided to the original recipient of a grant or transfer of assistance under subsection (a) ~~or (b)~~ for a fiscal year may be used to pay for administrative costs incurred by—

(A) \* \* \*

\* \* \* \* \*

(2) RULES ON USE.—The Corporation may by rule prescribe the manner and extent to which—

(A) assistance provided under subsection (a) ~~or (b)~~ may be used to cover administrative costs; and

\* \* \* \* \*

**SEC. 122. TYPES OF NATIONAL SERVICE PROGRAMS ELIGIBLE FOR PROGRAM ASSISTANCE.**

(a) ELIGIBLE NATIONAL SERVICE PROGRAMS.—The recipient of a grant under section 121(a) ~~and each Federal agency receiving assistance under section 121(b)~~ shall use the assistance, directly or through subgrants to other entities, to carry out full- or part-time national service programs, including summer programs, that address unmet human, educational, environmental, or public safety needs. Subject to subsection (b)(1), these national service programs may include the following types of national service programs:

(1) \* \* \*

\* \* \* \* \*

(9) A program in which economically disadvantaged individuals who are ~~between the ages of 16 and 24~~ *between the ages of 16 and 25* years of age, inclusive, are provided with opportunities to perform service that, while enabling such individuals to obtain the education and employment skills necessary to achieve economic self-sufficiency, will help their communities meet—

(A) \* \* \*

\* \* \* \* \*

(15) *An E-Corps program that involves participants who provide service in a community by developing and assisting in carrying out technology programs.*

(16) *A program that engages citizens in public safety, public health, and disaster relief and preparedness, and may include the recruitment and placing of qualified participants in positions to be trainees as law enforcement officers, firefighters and rescue personnel, search and rescue personnel, emergency medical service workers, and/or disaster services workers.*

(17) *A program, initiative, or partnership that seeks to expand the number of young people with mentors, either through provision of direct mentoring services or through activities that build the capacity of mentoring organizations to serve more young people.*

[(15)] (18) Such other national service programs addressing unmet human, educational, environmental, or public safety needs as the Corporation may designate.

\* \* \* \* \*

(c) NATIONAL SERVICE PRIORITIES.—

(1) ESTABLISHMENT.—

(A) BY CORPORATION.—In order to concentrate national efforts on meeting certain unmet human, educational, environmental, or public safety needs and to achieve the other purposes of this Act, the Corporation shall establish, and after reviewing the strategic plan approved under section 192A(g)(1), periodically alter priorities as appropriate regarding the types of national service programs to be assisted under [subsection (b) or (d) of] section 129 and the purposes for which such assistance may be used.

\* \* \* \* \*

(d) *HIGH SCHOOL DEGREE REQUIRED FOR TUTORS.*—*The Corporation shall require that recipients of assistance under the national service laws to operate tutoring programs involving elementary or secondary school students shall certify that individuals serving in approved national service positions as tutors in such programs have obtained their high school diploma or its equivalent, or are enrolled in a program leading to their obtaining a high school diploma.*

(e) LITERACY PROGRAMS.—

(1) PROGRAMS.—*Literacy programs that receive assistance under the national service laws shall be based on scientifically based reading research and provide instruction based on the essential components of reading instruction as defined in section 1208 of the “No Child Left behind Act of 2001” (Public Law 107–110).*

(2) TRAINING REQUIRED FOR READING TUTORS.—*The Corporation shall require that recipients of assistance under the national service laws to operate tutoring in reading programs shall, in providing training to participants serving in approved national service positions as tutors, incorporate the recommendations of the National Reading Panel and research from the National Institute of Child Health and Human Development under the auspices of the National Institutes of Health.*

(f) CITIZENSHIP TRAINING.—*The Corporation shall establish requirements for recipients of assistance under the national service laws relating to the promotion of citizenship and civic engagement, that are consistent with the principles on which citizenship programs administered by the Immigration and Naturalization Service are based, among individuals enrolled in approved national service positions.*

(g) OATH.—*Any oath given under the national service laws shall be consistent with the principles in the Federal oath of office as provided in section 3331 of title 5, United States Code.*

**SEC. 123. TYPES OF NATIONAL SERVICE POSITIONS ELIGIBLE FOR APPROVAL FOR NATIONAL SERVICE EDUCATIONAL AWARDS.**

The Corporation may approve of any of the following service positions as an approved national service position that includes the na-



tional service educational award described in subtitle D as one of the benefits to be provided for successful service in the position:

(1) A position for a participant in a national service program described in section 122(a) that receives assistance under [subsection (a) or (b) of section 121] *section 121(a)*.

(2) A position for a participant in a program that—

(A) is carried out by a State, a subdivision of a State, an Indian tribe, a public or private nonprofit organization, an institution of higher education[, or a Federal agency]; and

\* \* \* \* \*

(5) A position for a participant in the *National* Civilian Community Corps under subtitle E.

\* \* \* \* \*

#### SEC. 125. TRAINING AND TECHNICAL ASSISTANCE.

(a) TRAINING PROGRAMS.—The Corporation may conduct, directly or by grant or contract, appropriate training programs regarding national service in order to—

(1) improve the ability of [national service programs assisted under section 121] *programs assisted under the national service laws* to meet human, educational, environmental, or public safety needs in communities—

(A) \* \* \*

\* \* \* \* \*

(b) TECHNICAL ASSISTANCE.—To the extent appropriate and necessary, the Corporation shall make technical assistance available to States, Indian tribes, labor organizations, organizations operated by young adults, organizations serving economically disadvantaged individuals, and other entities [described in section 121] *assisted under the national service laws* that desire—

(1) \* \* \*

(2) to apply for assistance under such section or under a grant program conducted using assistance [provided under such section] *provided under the national service laws*.

(c) UNDERSERVED AREAS AND POPULATIONS.—*In complying with the requirements of this section, the Corporation shall ensure that the training and technical assistance needs of programs which focus on and provide service opportunities for underserved rural and urban areas and populations are addressed.*

#### SEC. 126. OTHER SPECIAL ASSISTANCE.

(a) SUPPORT FOR STATE COMMISSIONS.—

(1) GRANTS AUTHORIZED.—From amounts appropriated for a fiscal year pursuant to the authorization of appropriation in section 501(a)(4), the Corporation may make a grant in an amount between [\$125,000 and \$750,000] *\$200,000 and \$1,000,000* to a State to assist the State to establish or operate the State Commission on National and Community Service required to be established by the State under section 178.

[(2) LIMITATION ON AMOUNT OF GRANTS.—Notwithstanding the amounts specified in paragraph (1), the amount of a grant that may be provided to a State Commission under this subsection, together with other Federal funds available to establish or operate the State Commission, may not exceed—

[(A) 85 percent of the total cost to establish or operate the State Commission for the first year for which the State Commission receives assistance under this subsection; and

[(B) such smaller percentage of such cost as the Corporation may establish for the second, third, and fourth years of such assistance in order to ensure that the Federal share does not exceed 50 percent of such costs for the fifth year, and any subsequent year, for which the State Commission receives assistance under this subsection.]

(2) *MATCHING REQUIREMENT.—In making grants to a State under this subsection, the Corporation shall require the State to provide matching funds in the following amounts:*

(A) *FIRST \$100,000.—For the first \$100,000 of grant amounts provided by the Corporation, a State shall not be required to provide matching funds.*

(B) *AMOUNTS GREATER THAN \$100,000.—For grant amounts of more than \$100,000 and not exceeding \$200,000 provided by the Corporation, a State shall provide \$1 from non-Federal sources for every \$2 provided by the Corporation.*

(C) *AMOUNTS GREATER THAN \$200,000.—For grant amounts of more than \$200,000 provided by the Corporation, a State shall provide \$1 from non-Federal sources for every \$1 provided by the Corporation.*

\* \* \* \* \*

(c) CHALLENGE GRANTS FOR NATIONAL SERVICE PROGRAMS.—

(1) *ASSISTANCE AUTHORIZED.—The Corporation may make challenge grants under this subsection [to national service programs that receive assistance under section 121] to programs supported under the national service laws that expand service and volunteering by increasing and strengthening the capacity of community-based organizations, including through the use of regional organizations that facilitate the involvement of small community groups, or by promoting high-quality teaching programs serving low-income students.*

\* \* \* \* \*

[(3) *AMOUNT OF ASSISTANCE.—A challenge grant under this subsection may provide not more than \$1 of assistance under this subsection for each \$1 in cash raised by the national service program from private sources in excess of amounts required to be provided by the program to satisfy matching funds requirements under section 121(e). The Corporation shall establish a ceiling on the amount of assistance that may be provided to a national service program under this subsection.*]

(3) *AMOUNT OF ASSISTANCE.—A challenge grant under this subsection may provide, for an initial 3-year grant period, not more than \$1 of assistance under this subsection for each \$1 in cash raised from private sources by the program supported under the national service laws in excess of amounts required to be provided by the program to satisfy matching funds requirements. After an initial 3-year grant period, grants under this subsection may provide not more than \$1 of assistance for each \$2 in cash raised from private sources by the program in excess of amounts required to be provided by the program to*

*satisfy matching funds requirements. The Corporation may permit the use of local or State funds as matching funds if the Corporation determines that such use would be equitable due to a lack of available private funds at the local level. The Corporation shall establish a ceiling on the amount of assistance that may be provided to a national service program under this subsection.*

## **PART II—APPLICATION AND APPROVAL PROCESS**

### **[SEC. 129. PROVISION OF ASSISTANCE AND APPROVED NATIONAL SERVICE POSITIONS BY COMPETITIVE AND OTHER MEANS.**

#### **[(a) ALLOTMENTS OF ASSISTANCE AND APPROVED POSITIONS TO STATES AND INDIAN TRIBES.—**

**[(1) 33 $\frac{1}{3}$  PERCENT ALLOTMENT OF ASSISTANCE TO CERTAIN STATES.—**Of the funds allocated by the Corporation for provision of assistance under subsections (a) and (b) of section 121 for a fiscal year, the Corporation shall make a grant under section 121(a) (and a corresponding allotment of approved national service positions) to each of the several States, the District of Columbia, and the Commonwealth of Puerto Rico that has an application approved by the Corporation under section 133. The amount allotted as a grant to each such State under this paragraph for a fiscal year shall be equal to the amount that bears the same ratio to 33 $\frac{1}{3}$  percent of the allocated funds for that fiscal year as the population of the State bears to the total population of the several States, the District of Columbia, and the Commonwealth of Puerto Rico.

**[(2) ONE PERCENT ALLOTMENT FOR CERTAIN TERRITORIES AND POSSESSIONS.—**Of the funds allocated by the Corporation for provision of assistance under subsections (a) and (b) of section 121 for a fiscal year, the Corporation shall reserve 1 percent of the allocated funds for grants under section 121(a) to the United States Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands upon approval of an application by the Corporation under section 133. Palau shall also be eligible for a grant under this paragraph from the allotment until such time as the Compact of Free Association with Palau is ratified. The amount allotted as a grant to each such territory or possession under this paragraph for a fiscal year shall be equal to the amount that bears the same ratio to 1 percent of the allocated funds for that fiscal year as the population of the territory or possession bears to the total population of such territories and possessions.

**[(3) ONE PERCENT ALLOTMENT FOR INDIAN TRIBES.—**Of the funds allocated by the Corporation for provision of assistance under subsections (a) and (b) of section 121 for a fiscal year, the Corporation shall reserve 1 percent of the allocated funds for grants under section 121(a) to Indian tribes, to be allotted by the Corporation on a competitive basis in accordance with their respective needs.

**[(4) EFFECT OF FAILURE TO APPLY.—**If a State or Indian tribe fails to apply for, or fails to give notice to the Corporation of

its intent to apply for, an allotment under this subsection, the Corporation shall use the amount that would have been allotted under this subsection to the State or Indian tribe—

[(A) to make grants (and provide approved national service positions in connection with such grants) to other eligible entities under section 121 that propose to carry out national service programs in the State or on behalf of the Indian tribe; and

[(B) after making grants under subparagraph (A), to make a reallocation to other States and Indian tribes with approved applications under section 130.

[(b) RESERVATION OF APPROVED POSITIONS.—The Corporation shall ensure that each individual selected during a fiscal year for assignment as a VISTA volunteer under title I of the Domestic Volunteer Service Act of 1973 (42 U.S.C. 4951 et seq.) or as a participant in the Civilian Community Corps Demonstration Program under subtitle E shall receive the national service educational award described in subtitle D if the individual satisfies the eligibility requirements for the award. Funds for approved national service positions required by this paragraph for a fiscal year shall be deducted from the total funding for approved national service positions to be available for distribution under subsections (a) and (d) for that fiscal year.

[(c) RESERVATION FOR SPECIAL ASSISTANCE.—From amounts appropriated for a fiscal year pursuant to the authorization of appropriation in section 501(a)(2), and subject to the limitation in such section, the Corporation may reserve such amount as the Corporation considers to be appropriate for the purpose of making assistance available under sections 125 and 126. The Corporation may not reserve more than \$10,000,000 for a fiscal year for disaster service under subsection (b) of section 126 or challenge grants under subsection (c) of such section.

[(d) COMPETITIVE DISTRIBUTION OF REMAINING FUNDS.—

[(1) STATE COMPETITION.—Of the funds allocated by the Corporation for provision of assistance under subsections (a) and (b) of section 121 for a fiscal year, the Corporation shall use not less than 33⅓ percent of the allocated funds to make grants to States on a competitive basis under section 121(a).

[(2) FEDERAL AGENCIES AND OTHER APPLICANTS.—*The Corporation shall distribute on a competitive basis to subdivisions of States, Indian tribes, public or private nonprofit organizations (including labor organizations), institutions of higher education, and Federal agencies the remainder of the funds allocated by the Corporation for provision of assistance under section 121 for a fiscal year, after operation of paragraph (1) and subsections (a) and (c).*

[(3) LIMITATION ON DISTRIBUTION TO FEDERAL AGENCIES.—*The Corporation may not provide more than ⅓ of the funds available for competitive distribution under paragraph (2) for a fiscal year to Federal agencies under section 121(b).*

[(4) PRIORITY LIMITATIONS.—*The Corporation may limit the categories of eligible applicants for assistance under paragraph (2) consistent with the priorities established by the Corporation under section 133(d)(2).*

**[(5) RESERVATION OF FUNDS FOR SUPPLEMENTAL AND OUTREACH GRANTS.—**

**[(A) RESERVATION.—***From amounts appropriated for a fiscal year pursuant to the authorization of appropriation in section 501(a)(2), and subject to the limitation in such section, the Chief Executive Officer shall reserve an amount that is not less than 1 percent of such amounts (except that the amount reserved may not exceed \$5,000,000), in order to make supplemental grants as provided in subparagraph (B) and outreach grants as provided in subparagraph (C). The amount reserved pursuant to this paragraph shall be available until expended.*

**[(B) GRANTS TO ASSIST ENTITIES IN PLACING APPLICANTS WHO ARE INDIVIDUALS WITH A DISABILITY.—**

**[(i) IN GENERAL.—***The Chief Executive Officer shall make grants from a portion of the funds reserved under subparagraph (A) to entities that—*

**[(I) receive a grant to carry out a national service program under paragraph (1) or (2);**

**[(II) demonstrate that the entity has received a substantial number of applications for placement in the national service program of persons who are individuals with a disability and who require a reasonable accommodation (as defined in section 101(9) of the Americans with Disabilities Act of 1990 (42 U.S.C. 12111(9))), or auxiliary aids and services (as defined in section 3(1) of such Act (42 U.S.C. 12102(1))), in order to perform national service; and**

**[(III) demonstrate that additional funding would assist the national service program in placing a substantial number of such individuals with a disability as participants in projects carried out through the program.**

**[(ii) REQUIREMENTS.—***Funds made available through such a supplemental grant under clause (i) shall be made available for the same purposes, and subject to the same requirements, as funds made available through a grant made under paragraph (1) or (2).*

**[(C) GRANTS FOR OUTREACH TO INDIVIDUALS WITH A DISABILITY.—**

**[(i) IN GENERAL.—***From the portion of the funds reserved under subparagraph (A) that is not used to make grants under subparagraph (B), the Chief Executive Officer shall make grants to public or private non-profit organizations to pay for the Federal share described in section 121(e) of—*

**[(I) providing information about the programs specified in section 193A(d)(10) to such individuals with a disability who desire to perform national service; and**

**[(II) enabling the individuals to participate in activities carried out through such programs, which may include assisting the placement of the individuals in approved national service positions.**

**[(ii) APPLICATION.**—*To be eligible to receive a grant under this subparagraph, an organization described in clause (i) shall submit an application to the Chief Executive Officer at such time, in such manner, and containing such information as the Chief Executive Officer may require.*

**[(e) APPLICATION REQUIRED.**—*The allotment of assistance and approved national service positions to a State or Indian tribe under subsection (a), and the competitive distribution of assistance under subsection (d), shall be made by the Corporation only pursuant to an application submitted by a State or other applicant under section 130 and approved by the Corporation under section 133.*

**[(f) APPROVAL OF POSITIONS SUBJECT TO AVAILABLE FUNDS.**—*The Corporation may not approve positions as approved national service positions under this subtitle for a fiscal year in excess of the number of such positions for which the Corporation has sufficient available funds in the National Service Trust for that fiscal year, taking into consideration funding needs for national service educational awards under subtitle D based on completed service. If appropriations are insufficient to provide the maximum allowable national service educational awards under subtitle D for all eligible participants, the Corporation is authorized to make necessary and reasonable adjustments to program rules.*

**[(g) SPONSORSHIP OF APPROVED NATIONAL SERVICE POSITIONS.**—

**[(1) SPONSORSHIP AUTHORIZED.**—*The Corporation may enter into agreements with persons or entities who offer to sponsor national service positions for which the person or entity will be responsible for supplying the funds necessary to provide a national service educational award. The distribution of these approved national service positions shall be made pursuant to the agreement, and the creation of these positions shall not be taken into consideration in determining the number of approved national service positions to be available for distribution under this section.*

**[(2) DEPOSIT OF CONTRIBUTION.**—*Funds provided pursuant to an agreement under paragraph (1) and any other funds contributed to the Corporation to support the activities of the Corporation under the national service laws shall be deposited in the National Service Trust established in section 145 until such time as the funds are needed.*】

**SEC. 129. PROVISION OF ASSISTANCE AND APPROVED NATIONAL SERVICE POSITIONS.**

**(a) 1-PERCENT ALLOTMENT FOR CERTAIN TERRITORIES.**—*Of the funds allocated by the Corporation for provision of assistance under section 121(a) for a fiscal year, the Corporation shall reserve 1 percent for grants to the United States Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands upon approval by the Corporation of an application submitted under section 130. The amount allotted as a grant to each such territory under this subsection for a fiscal year shall be equal to the amount that bears the same ratio to 1 percent of the allocated funds for that fiscal year as the population of the territory bears to the total population of such territories.*

**(b) 1-PERCENT ALLOTMENT FOR INDIAN TRIBES.**—*Of the funds allocated by the Corporation for provision of assistance under section*

121(a) for a fiscal year, the Corporation shall reserve at least 1 percent for grants to Indian tribes, to be allotted by the Corporation on a competitive basis in accordance with their respective needs.

(c) **UP TO 20 PERCENT ALLOTMENT FOR NATIONAL GRANTS.**—Of the funds allocated by the Corporation for provision of assistance under section 121(a) for a fiscal year, the Corporation shall reserve up to 20 percent for grants to nonprofit organizations to operate a program in 2 or more States.

(d) **AT LEAST 35 PERCENT ALLOTMENT FOR STATE COMPETITIVE GRANTS.**—Of the funds allocated by the Corporation for provision of assistance under subsection (a) of section 121 for a fiscal year, the Corporation shall reserve at least 35 percent for innovative grants to States on a competitive basis.

(e) **45 PERCENT TO CERTAIN STATES ON FORMULA BASIS.**—

(1) **GRANTS.**—Of the funds allocated by the Corporation for provision of assistance under subsection (a) of section 121 for a fiscal year, the Corporation shall make a grant to each of the several States, the District of Columbia, and the Commonwealth of Puerto Rico that submits an application under section 130 that is approved by the Corporation.

(2) **ALLOTMENTS.**—The amount allotted as a grant to each such State under this subsection for a fiscal year shall be equal to the amount that bears the same ratio to 45 percent of the allocated funds for that fiscal year as the population of the State bears to the total population of the several States, the District of Columbia, and the Commonwealth of Puerto Rico, in compliance with paragraph (3).

(3) **MINIMUM AMOUNT.**—Notwithstanding paragraph (2), the minimum grant made available to each State approved by the Corporation under paragraph (1) for each fiscal year must be at least \$500,000.

(f) **ADJUSTMENTS.**—

(1) **RESERVATION OF FUNDS.**—Notwithstanding subsections (c) through (e), except as provided in paragraph (3), the Corporation shall ensure that it reserves funds for competitive grants to States in an aggregate amount equal to the aggregate amount of competitive grant funds provided to all States with fiscal year 2002 funds.

(2) **REDUCTION FROM FORMULA GRANTS.**—In order to meet the requirements of paragraph (1) during a fiscal year in which the percentage allotment for State competitive grants under subsection (d) is less than the aggregate amount of competitive grants funds provided to all States with fiscal year 2002 funds, the Corporation shall reduce the amount available for State formula grants under subsection (e).

(3) **PROPORTIONATE REDUCTIONS.**—In any fiscal year in which the aggregate amount allocated under subsections (a) through (e) is less than the aggregate amount allocated for such purposes with fiscal year 2002 funds, the Corporation shall reduce the amounts allocated under each subsection in a manner that corresponds to the respective proportions of allocations of fiscal year 2002 funds.

(g) **EFFECT OF FAILURE TO APPLY.**—If a State or territory fails to apply for, or fails to give notice to the Corporation of its intent to apply for an allotment under this section, the Corporation may use

the amount that would have been allotted under this section to the State or territory to—

(1) make grants (and provide approved national service positions in connection with such grants) to other eligible entities under section 121 that propose to carry out national service programs in the State or territory; and

(2) make a reallocation to other States and territories with approved applications submitted under section 130.

(h) APPLICATION REQUIRED.—The allotment of assistance and approved national service positions to a recipient under this section shall be made by the Corporation only pursuant to an application submitted by a State or other applicant under section 130.

(i) APPROVAL OF POSITIONS SUBJECT TO AVAILABLE FUNDS.—The Corporation may not approve positions as approved national service positions under this subtitle for a fiscal year in excess of the number of such positions for which the Corporation has sufficient available funds in the National Service Trust for that fiscal year, taking into consideration funding needs for national service educational awards under subtitle D based on completed service. If appropriations are insufficient to provide the maximum allowable national service educational awards under subtitle D for all eligible participants, the Corporation is authorized to make necessary and reasonable adjustments to program rules.

(j) SPONSORSHIP OF APPROVED NATIONAL SERVICE POSITIONS.—

(1) SPONSORSHIP AUTHORIZED.—The Corporation may enter into agreements with persons or entities who offer to sponsor national service positions for which the person or entity will be responsible for supplying the funds necessary to provide a national service educational award. The distribution of these approved national service positions shall be made pursuant to the agreement, and the creation of these positions shall not be taken into consideration in determining the number of approved national service positions to be available for distribution under this section.

(2) DEPOSIT OF CONTRIBUTION.—Funds provided pursuant to an agreement under paragraph (1) shall be deposited in the National Service Trust established in section 145 until such time as the funds are needed.

(k) RESERVATION OF FUNDS FOR SPECIAL ASSISTANCE.—From amounts appropriated for a fiscal year pursuant to the authorization of appropriations in section 501(a)(2) and subject to the limitation in such section, the Corporation may reserve such amount as the Corporation considers to be appropriate for the purpose of making assistance available under sections 125 and 126.

(l) RESERVATION OF FUNDS TO INCREASE THE PARTICIPATION OF INDIVIDUALS WITH DISABILITIES.—From amounts appropriated for a fiscal year pursuant to the authorization of appropriations in section 501(a)(2) and subject to the limitation in such section, the Chief Executive Officer shall reserve an amount that is not less than 1 percent of such amount (except that the amount reserved may not exceed \$10,000,000), in order to make grants to public or private nonprofit organizations to increase the participation of individuals with disabilities in national service and for demonstration activities in furtherance of this purpose.



**SEC. 129A. PILOT AUTHORITY FOR MEMBER-BASED NATIONAL SERVICE POSITIONS.**

(a) *AUTHORITY.*—The Corporation may, on a pilot basis, reserve up to 5 percent of the funds allocated by the Corporation for provision of assistance under subsection (a) of section 121 for a fiscal year to test new approaches to increasing and diversifying opportunities to serve in approved national service positions in communities throughout the United States, including allowing individuals to serve in such positions other than through program operational grants under this subtitle.

(b) *COMPETITIVE SELECTION OF ELIGIBLE ENTITIES.*—The Corporation may, each fiscal year, after making selections on a competitive basis, provide funds authorized under subsection (a) to not more than 15 State commissions on national and community service and other entities eligible for assistance under subsection (a) of section 121.

(c) *REQUIREMENTS.*—To receive a grant under this section, an eligible entity must demonstrate that it—

(1) satisfies qualification criteria established by the Corporation, including standards relating to organizational capacity, financial management, and programmatic oversight, that are designed to ensure that Federal funds are managed in accordance with all applicable requirements, and that service activities subject to its oversight comply with all applicable restrictions;

(2) is meeting accountability requirements under section 186;

(3) has mechanisms to ensure compliance with sections 132, 174, and 175;

(4) will approve sites for placement of participants in a manner that achieves the purposes of this section;

(5) will oversee no more than 5 participants at each site; and

(6) will comply with matching funds requirements set by the Corporation, unless the Corporation determines that the reasonable and necessary costs of carrying out the approved activity significantly exceed the amount of assistance provided by the Corporation.

(d) *DURATION.*—An agreement to support activities under this section shall be for a period not to exceed 3 years.

(e) *ACCOUNTABILITY.*—

(1) The Corporation shall consult with its Inspector General, State commissions on national and community service, and national and State accrediting agencies in developing methods of ensuring and improving accountability in the pilot initiatives under this section, including the areas of financial management and participant management.

(2) If an eligible entity fails to comply with accountability measures applicable to this section, it shall be ineligible to receive a grant under this section for at least 5 years.

(f) *REPORTS TO CONGRESS.*—The Corporation shall report to Congress, on an annual basis, on activities undertaken, and outcomes achieved, under this pilot authority.

**SEC. 129B. EDUCATION AWARDS PROGRAM.**

(a) *IN GENERAL.*—From amounts appropriated for a fiscal year to provide financial assistance under this subtitle and consistent with the restriction in subsection (b), the Corporation may provide oper-

*ational assistance to programs that receive approved national service positions but do not receive funds under section 121(a).*

*(b) LIMIT ON CORPORATION GRANT FUNDS.—Operational support under this section may not exceed \$600 per individual enrolled in an approved national service position.*

*(c) INAPPLICABLE PROVISIONS.—The following provisions shall not apply to programs funded under this section:*

*(1) The limitation on administrative costs under section 121(d).*

*(2) The matching funds requirements under sections 121(e) and 140.*

*(3) The living allowance and other benefits under sections 131(e) and section 140 (other than individualized support services for disabled members under section 140(f)).*

**SEC. 129C. FIXED AMOUNT GRANTS.**

*(a) GENERAL.—Subject to the limitations in this section, the Corporation may, upon making a determination described in subsection (b), approve a fixed amount grant that is not subject to the Office of Management and Budget cost principles and related financial recordkeeping requirements.*

*(b) DETERMINATION.—Before approving a fixed amount grant, the Corporation must determine that—*

*(1) the reasonable and necessary costs of carrying out the terms of the grant significantly exceed the amount of assistance provided by the Corporation; or*

*(2) based on the nature or design of the grant, any assistance provided by the Corporation can be reasonably presumed to be expended on reasonable and necessary costs.*

*(c) FIXED AMOUNT GRANT ELECTION BY FORMULA RECIPIENTS.—A recipient of a grant under subsection (a) or (e) of section 129 may, after making the determination described in subsection (b), elect to make subgrants as fixed amount grants.*

*(d) FIXED AMOUNT GRANT DESIGNATION FOR COMPETITIVE RECIPIENTS.—The Chief Executive Officer may, after making the determination described in subsection (b), make competitive grants under section 129 as fixed amount grants.*

**SEC. 130. APPLICATION FOR ASSISTANCE AND APPROVED NATIONAL SERVICE POSITIONS.**

*(a) TIME, MANNER, AND CONTENT OF APPLICATION.—To be eligible to receive assistance under section 121 or approved national service positions for participants who serve in the national service programs [to be carried out using the assistance, a State, subdivision of a State, Indian tribe, public or private nonprofit organization, institution of higher education, or Federal agency], an applicant shall prepare and submit to the Corporation an application at such time, in such manner, and containing such information as the Corporation may reasonably require.*

\* \* \* \* \*

*(c) REQUIRED APPLICATION INFORMATION.—An application submitted under subsection (a) shall contain the following information:*

*(1) A description of the [jobs or] positions into which participants will be placed using the assistance provided under sec-*

tion 121, including descriptions of specific tasks to be performed by such participants.

\* \* \* \* \*

(e) SPECIAL RULE FOR STATE APPLICANTS.—

(1) \* \* \*

[(2) COMPETITIVE SELECTION.—The application of a State shall contain an assurance that all assistance provided under section 121(a) to the State will be used to support national service programs that were selected by the State on a competitive basis. In making such competitive selections, the State shall seek to ensure the equitable allocation within the State of assistance and approved national service positions provided under this subtitle to the State taking into consideration such factors as the location of the programs applying to the State, population density, and economic distress.]

[(3)] (2) ASSISTANCE TO NONSTATE ENTITIES.—The application of a State shall also contain an assurance that not less than 60 percent of the assistance will be used to make grants in support of national service programs other than national service programs carried out by a State agency. The Corporation may permit a State to deviate from the percentage specified by this subsection if the State has not received a sufficient number of acceptable applications to comply with the percentage.

(f) SPECIAL RULE FOR CERTAIN APPLICANTS.—

(1) WRITTEN CONCURRENCE.—In the case of [a program applicant] *an applicant* that proposes to also serve as the service sponsor, the application shall include the written concurrence of any local labor organization representing employees of the service sponsor who are engaged in the same or substantially similar work as that proposed to be carried out.

(2) [PROGRAM APPLICANT] *APPLICANT* DEFINED.—For purposes of this subsection, the term “[program applicant] *applicant*” means—

(A) a State, subdivision of a State, Indian tribe, public or private nonprofit organization, [institution of higher education, or Federal agency] *or institution of higher education* submitting an application under this section; or

(B) an entity applying for assistance or approved national service positions through a grant program conducted using assistance provided to a State, subdivision of a State, Indian tribe, public or private nonprofit organization, [institution of higher education, or Federal agency] *or institution of higher education* under section 121.

(g) LIMITATION ON SAME PROJECT IN MULTIPLE APPLICATIONS.—The Corporation shall reject an application submitted under this section if a project proposed to be conducted using assistance requested by the applicant is already described in another application pending before the Corporation[.] *or is already receiving financial assistance from the Corporation.*

\* \* \* \* \*

SEC. 133. CONSIDERATION OF APPLICATIONS.

(a) \* \* \*

(b) APPLICATION TO SUBGRANTS.—

(1) \* \* \*

(2) CONTENTS.—The application of the State or other entity under section 130 shall contain—

(A) \* \* \*

(B) a description of the [jobs or] positions into which participants will be placed using such assistance, including descriptions of specific tasks to be performed by such participants; and

\* \* \* \* \*

(c) ASSISTANCE CRITERIA.—The criteria required to be applied in evaluating applications submitted under section 130 are as follows:

(1) \* \* \*

\* \* \* \* \*

(8) *If applicable, as determined by the Corporation, the extent to which the program generates the involvement of volunteers.*

[(8)] (9) Such other criteria as the Corporation considers to be appropriate.

(d) OTHER CONSIDERATIONS.—

(1) \* \* \*

(2) PRIORITIES.—The Corporation may designate, under such criteria as may be established by the Corporation, certain national service programs or types of national service programs described in section 122(a) for priority consideration in the competitive distribution of funds under section 129(d)(2). In designating national service programs to receive priority, the Corporation may include—

[(A) national service programs carried out by another Federal agency;]

[(B)] (A) national service programs that conform to the national service priorities in effect under section 122(c);

[(C)] (B) innovative national service programs;

[(D)] (C) national service programs that are well established in one or more States at the time of the application and are proposed to be expanded to additional States using assistance provided under section 121;

[(E)] (D) grant programs in support of other national service programs if the grant programs are to be conducted by nonprofit organizations with a demonstrated and extensive expertise in the provision of services to meet human, educational, environmental, or public safety needs; and

[(F)] (E) professional corps programs described in section 122(a)(8); and]

[(G) programs that—

[(i) received funding under subtitle D of this Act, as in effect on the day before the date of enactment of this subtitle;

[(ii) the Corporation determines to meet the requirements of sections 142 (other than subsection (g)), 143, and 148 through 150 of this Act, as in effect on such day, in addition to the requirements of this subtitle; and

[(iii) include an evaluation component.]

\* \* \* \* \*

[(4) REVIEW PANEL.—The Corporation shall—

[(A) establish panels of experts for the purpose of securing recommendations on applications submitted under section 130 for more than \$250,000 in assistance, or for national service positions that would require more than \$250,000 in national service educational awards; and

[(B) consider the opinions of such panels prior to making such determinations.]

\* \* \* \* \*

### PART III—NATIONAL SERVICE PARTICIPANTS

\* \* \* \* \*

#### SEC. 137. DESCRIPTION OF PARTICIPANTS.

(a) IN GENERAL.—For purposes of this subtitle, an individual shall be considered to be a participant in a national service program carried out using assistance provided under section 121 if the individual—

(1) \* \* \*

\* \* \* \* \*

[(3) will serve in the program for a term of service specified in section 139 to be performed before, during, or after attendance at an institution of higher education;]

[(4)] (3) is 17 years of age or older at the time the individual begins the term of service;

[(5)] (4) has received a high school diploma or its equivalent, agrees to obtain a high school diploma or its equivalent (unless this requirement is waived based on an individual education assessment conducted by the program) and the individual did not drop out of an elementary or secondary school to enroll in the program, or is enrolled in an institution of higher education on an ability to benefit basis and is considered eligible for funds under section 484 of the Higher Education Act of 1965 (20 U.S.C. 1091); and

[(6)] (5) is a citizen or national of the United States or lawful permanent resident alien of the United States.

(b) SPECIAL RULES FOR CERTAIN YOUTH PROGRAMS.—An individual shall be considered to be a participant in a youth corps program described in section 122(a)(2) or a program described in section 122(a)(9) that is carried out with assistance provided under section 121(a) if the individual—

(1) satisfies the requirements specified in subsection (a), except paragraph [(4)] (3) of such subsection; and

(2) is [between the ages of 16 and 25] *a 16-year-old out of school youth or an individual between the ages of 17 and 25, inclusive, at the time the individual begins the term of service.*

[(c) WAIVER.—The Corporation may waive the requirements of subsection (a)(5) with respect to an individual if the program in which the individual seeks to become a participant conducts an independent evaluation demonstrating that the individual is incapable of obtaining a high school diploma or its equivalent.]

(c) SELF-CERTIFICATION AND WAIVER.—*The Corporation may—*

(1) consider an individual as having satisfied the requirement of subsection (a)(4) if the individual informs the Corporation that such requirement has been satisfied; or

(2) waive the requirements of subsection (a)(4) with respect to an individual if the program in which the individual seeks to become a participant conducts an independent evaluation demonstrating that the individual is incapable of obtaining a high school diploma or its equivalent.

#### SEC. 138. SELECTION OF NATIONAL SERVICE PARTICIPANTS.

(a) SELECTION PROCESS.—Subject to subsections (b) and (c) and section 131(f), the actual recruitment and selection of an individual to serve in a national service program receiving assistance under section 121 or to fill an approved national service position shall be conducted by the State, subdivision of a State, Indian tribe, public or private nonprofit organization, institution of higher education, [Federal agency,] or other entity to which the assistance and approved national service positions are provided.

\* \* \* \* \*

#### SEC. 139. TERMS OF SERVICE.

(a) \* \* \*

(b) TERM OF SERVICE.—

(1) FULL-TIME SERVICE.—An individual performing full-time national service in an approved national service position shall agree to participate in the program sponsoring the position for not less than 1,700 hours during a period of [not less than 9 months and] not more than 1 year.

(2) PART-TIME SERVICE.—Except as provided in paragraph (3), an individual performing part-time national service in an approved national service position shall agree to participate in the program sponsoring the position for not less than 900 hours [during a period of—

[(A) not more than 2 years; or

(B) not more than 3 years if the individual is enrolled in an institute of higher education while performing all or a portion of the service.] during a period of not more than 2 years.

(c) RELEASE FROM COMPLETING TERM OF SERVICE.—

(1) RELEASE AUTHORIZED.—A recipient of assistance under section 121 or a program sponsoring an approved national service position may release a participant from completing a term of service in the position—

(A) for compelling personal circumstances [as demonstrated by the participant] as determined by the organization responsible for granting a release, if the participant has otherwise performed satisfactorily and has completed at least 15 percent of the original term of service; or

\* \* \* \* \*

(2) EFFECT OF RELEASE FOR COMPELLING CIRCUMSTANCES.—If a participant eligible for release under paragraph (1)(A) is serving in an approved national service position, the recipient of assistance under section 121 or a program sponsoring an approved national service position may elect—

(A) to grant such release and [provide to the participant that portion of the national service educational award] *certify the participant's eligibility for that portion of the national service educational award* corresponding to the portion of the term of service actually completed, as provided in section 147(c); or

(B) to permit the participant to temporarily suspend performance of the term of service for a period of up to 2 years (and such additional period as the Corporation may allow for extenuating circumstances) and, upon completion of such period, [to allow return to the program with which the individual was serving in order] to complete the remainder of the term of service and obtain the entire national service educational award.

\* \* \* \* \*

#### SEC. 140. LIVING ALLOWANCES FOR NATIONAL SERVICE PARTICIPANTS.

##### (a) PROVISION OF LIVING ALLOWANCE.—

(1) LIVING ALLOWANCE REQUIRED.—Subject to [paragraph (3)] *paragraphs (3) and (4)*, a national service program carried out using assistance provided under section 121 shall provide to each participant who participates on a full-time basis in the program a living allowance in an amount equal to or greater than the average annual subsistence allowance provided to VISTA volunteers under section 105 of the Domestic Volunteer Service Act of 1973 (42 U.S.C. 4955).

\* \* \* \* \*

(4) *ADJUSTMENT FOR FEDERAL WORK-STUDY STUDENTS.*—*The living allowance that may be provided to an individual whose term of service includes hours for which the individual receives Federal work study wages shall be reduced by the amount of the individual's Federal work study award.*

[(4)] (5) PRORATION OF LIVING ALLOWANCE.—The amount provided as a living allowance under this subsection shall be prorated in the case of a participant who is authorized to serve [a reduced term of service under section 139(b)(3)] *a term of service that is less than 12 months.*

[(5)] (6) WAIVER OR REDUCTION OF LIVING ALLOWANCE.—The Corporation may waive or reduce the requirement of paragraph (1) with respect to such national service program if such program demonstrates that—

(A) \* \* \*

\* \* \* \* \*

[(6)] (7) EXEMPTION.—The requirement of paragraph (1) shall not apply to any program that was in existence on the date of the enactment of the National and Community Service Trust Act of 1993.

##### (8) OTHER FEDERAL FUNDS.—

(A) *RECIPIENT REPORT.*—*A recipient of assistance under section 121 that is subject to the limitation on the Federal share of the annual living allowance in paragraph (2) shall report to the Corporation the amount and source of any Federal funds other than those provided by the Corporation*

*used to pay the annual living allowance under paragraph (1).*

*(B) CORPORATION REPORT.—The Corporation shall report to the Congress on an annual basis information regarding each recipient that uses Federal funds other than those provided by the Corporation to pay the annual living allowance under paragraphs (1) and (2), including amounts and sources of other Federal funds.*

\* \* \* \* \*

**[(h) LIMITATION ON NUMBER OF TERMS OF SERVICE FOR FEDERALLY SUBSIDIZED LIVING ALLOWANCE.—No national service program may use assistance provided under section 121, or any other Federal funds, to provide a living allowance under subsection (a), a health care policy under subsection (d), or child care or a child care allowance under subsection (e), to an individual for a third, or subsequent, term of service described in section 139(b) by the individual in a national service program carried out under this subtitle.]**

\* \* \* \* \*

## **Subtitle D—National Service Trust and Provision of National Service Educational Awards**

\* \* \* \* \*

### **SEC. 145. ESTABLISHMENT OF THE NATIONAL SERVICE TRUST.**

(a) **ESTABLISHMENT.**—There is established in the Treasury of the United States an account to be known as the National Service Trust. The Trust shall consist of—

(1) from the amounts appropriated to the Corporation and made available to carry out this subtitle pursuant to section 501(a)(2), such amounts as the Corporation may designate to be available for the payment of—

(A) national service educational awards; **[and]**

\* \* \* \* \*

*(C) service-based scholarships for high school students; and*

*(D) senior service scholarships under subtitle J.*

(2) any amounts received by the Corporation as gifts, bequests, devises, or otherwise **[pursuant to section 196(a)(2)] pursuant to section 196(a)(2), if the terms of such donations direct that they be deposited in the National Service Trust; and**

\* \* \* \* \*

(c) **EXPENDITURES FROM TRUST.**—Amounts in the Trust shall be available, to the extent provided for in advance by appropriation, **[for payments of national service educational awards in accordance with section 148.] for—**

*(1) payments of national service educational awards in accordance with section 148;*

*(2) payments of interest in accordance with section 148(e);*



(3) *the Federal share of service-based scholarships to high school students in accordance with section 149; and*

(4) *senior service scholarships in accordance with subtitle J.*

(d) **REPORTS TO CONGRESS ON RECEIPTS AND EXPENDITURES.**—Not later than March 1 of each year, the Corporation shall submit a report to the Congress on the financial status of the Trust during the preceding fiscal year. Such report shall—

(1) \* \* \*

\* \* \* \* \*

(3) identify the number of individuals whose expectation to receive national service educational awards during the period covered by the report—

(A) \* \* \*

(B) has lapsed pursuant to section 146(d); **[and]**

(4) estimate the number of additional approved national service positions that the Corporation will be able to make available under subtitle C on the basis of any accumulated surplus in the Trust above the amount required to provide national service educational awards to individuals identified under paragraph (2), including any amounts available as a result of the circumstances referred to in paragraph (3)**[.]**; and

(5) *identify the number of students who have received service-based scholarships and specify the amount of Federal and matching funds expended on an annual basis on service-based scholarships to high school students; and*

(6) *identify the number of individuals who are currently performing service, or have performed service, under the senior service scholarship program pursuant to subtitle J.*

**SEC. 146. INDIVIDUALS ELIGIBLE TO RECEIVE A NATIONAL SERVICE EDUCATIONAL AWARD FROM THE TRUST.**

(a) **ELIGIBLE INDIVIDUALS.**—An individual shall receive a national service educational award from the National Service Trust **[if the individual]** *if the organization responsible for an individual's supervision certifies that the individual—*

**[**(1) successfully completes the required term of service described in subsection (b) in an approved national service position;

**(**(2) was 17 years of age or older at the time the individual began serving in the approved national service position or was an out-of-school youth serving in an approved national service position with a youth corps program described in section 122(a)(2) or a program described in section 122(a)(9);

**(**(3) at the time the individual uses the national service educational award—

**[**(A) has received a high school diploma, or the equivalent of such diploma;

**(**(B) is enrolled at an institution of higher education on the basis of meeting the standard described in paragraph (1) or (2) of subsection (a) of section 484 of the Higher Education Act of 1965 (20 U.S.C. 1091) and meets the requirements of subsection (a) of such section; or

**(**(C) has received a waiver described in section 137(c);  
**and]**

(1) met the applicable eligibility requirements for the position;  
and

(2)(A) successfully completed the required term of service described in subsection (b) in an approved national service position; or

(B)(i) satisfactorily performed prior to being granted a release for compelling personal circumstances under section 139(c); and  
(ii) served at least 15 percent of the required term of service described in subsection (b); and

[(4)] (3) is a citizen or national of the United States or lawful permanent resident alien of the United States.

\* \* \* \* \*

[(c) LIMITATION ON NUMBER OF TERMS OF SERVICE FOR AWARDS.—Although an individual may serve more than 2 terms of service described in subsection (b) in an approved national service position, the individual shall receive a national service educational award from the National Service Trust only on the basis of the first and second of such terms of service.]

(c) LIMITATION ON RECEIPT OF EDUCATIONAL AWARDS.—An individual may receive no more than an amount equal to the aggregate value of 2 national service educational awards for full-time service.

\* \* \* \* \*

#### SEC. 147. DETERMINATION OF THE AMOUNT OF THE NATIONAL SERVICE EDUCATIONAL AWARD.

(a) AMOUNT FOR FULL-TIME NATIONAL SERVICE.—Except as provided in subsection (c), an individual described in section 146(a) who successfully completes a required term of full-time national service in an approved national service position shall receive a national service educational award having a value[, for each of not more than 2 of such terms of service, equal to 90 percent of—

[(1) one-half of an amount equal to the aggregate basic educational assistance allowance provided in section 3015(b)(1) of title 38, United States Code (as in effect on July 28, 1993), for the period referred to in section 3013(a)(1) of such title (as in effect on July 28, 1993), for a member of the Armed Forces who is entitled to such an allowance under section 3011 of such title and whose initial obligated period of active duty is 2 years; less

[(2) one-half of the aggregate basic contribution required to be made by the member in section 3011(b) of such title (as in effect on July 28, 1993).] of \$5,250.

\* \* \* \* \*

#### SEC. 148. DISBURSEMENT OF NATIONAL SERVICE EDUCATIONAL AWARDS.

(a) IN GENERAL.—Amounts in the Trust shall be available—

(1) \* \* \*

(2) to pay all or part of the cost of attendance or other educational expenses at an institution of higher education in accordance with subsection (c);

(3) to pay expenses incurred in participating in an approved school-to-work program in accordance with subsection (d);  
[and]

(4) to pay expenses incurred in enrolling in an educational institution or training establishment that meets the requirements of chapter 36 of title 38, United States Code (38 U.S.C. 3451 et seq.); and

[(4)] (5) to pay interest expenses in accordance with regulations prescribed pursuant to subsection (e).

(b) USE OF EDUCATIONAL AWARD TO REPAY OUTSTANDING STUDENT LOANS.—

(1) \* \* \*

\* \* \* \* \*

(7) DEFINITION OF QUALIFIED STUDENT LOANS.—As used in this subsection, the term “qualified student loans” means—

(A) any loan made, insured, or guaranteed pursuant to title IV of the Higher Education Act of 1965 (20 U.S.C. 1070 et seq.)[, other than a loan to a parent of a student pursuant to section 428B of such Act (20 U.S.C. 1078–2)]; and

(B) any loan made pursuant to title VII or VIII of the Public Health Service Act (42 U.S.C. 292a et seq.)[.]; and

(C) any loan (other than a loan described in subparagraph (A) or (B)) determined by an institution of higher education to be necessary to cover a student’s educational expenses and made, insured, or guaranteed by—

(i) an eligible lender, as defined in section 435 of the Higher Education Act of 1965 (20 U.S.C. 1085);

(ii) the direct student loan program under part D of title IV of such Act;

(iii) a State agency; or

(iv) a lender otherwise determined by the Corporation to be eligible to receive disbursements from the National Service Trust.

\* \* \* \* \*

(e) INTEREST PAYMENTS DURING FORBEARANCE ON LOAN REPAYMENT.—The Corporation shall provide by regulation for the payment on behalf of an eligible individual of interest that accrues during a period for which such individual has obtained forbearance in the repayment of a qualified student loan (as defined in subsection [(b)(6)] (b)(7)), if the eligible individual successfully completes the individual’s required term of service (as determined under section 146(b)). Such regulations shall be prescribed after consultation with the Secretary of Education.

(f) EXCEPTION.—With the approval of the [Director] *Chief Executive Officer*, an approved national service program funded under section 121, may offer participants the option of waiving their right to receive a national service educational award in order to receive an alternative post-service benefit funded by the program entirely with non-Federal funds.

\* \* \* \* \*

#### SEC. 149. USE BY PARTICIPANTS WITH DISABILITIES.

*Notwithstanding any other provision of this subtitle, the National Service Trust may disburse some or all of a national service educational award directly to an individual who provides a certification that—*

(1) *the individual is—*

(A) *entitled to disability insurance benefits under section 223 of the Social Security Act (42 U.S.C. 423);*

(B) *entitled to monthly insurance benefits under section 202 of the Social Security Act (42 U.S.C. 202) based on such individual's disability (as defined in section 223(d) of such Act); or*

(C) *eligible for supplemental security income benefits under subchapter XVI of the Social Security Act (42 U.S.C. 1381 et seq.) on the basis of blindness (within the meaning of section 1614(a)(2) of such Act) or disability (within the meaning of section 1614(a)(3) of such Act); and*

(2) *the individual will use the disbursed funds to pay for education, training, or work-related activities designed to make the individual self-supporting.*

**SEC. 149A. SERVICE-BASED SCHOLARSHIPS TO HIGH SCHOOL STUDENTS.**

(a) *PROGRAM AUTHORIZED.—The Corporation may use amounts in the National Service Trust to support a service-based scholarship program to recognize high school juniors and seniors who are engaged in outstanding community service and scholarship.*

(b) *APPROVED USE OF SCHOLARSHIPS.—The Corporation may use amounts in the Trust to supplement locally funded scholarships to help cover an individual's postsecondary education or job training costs.*

(c) *CORPORATION SHARE.—The Corporation's share of an individual's scholarship under the program may not exceed \$500.*

(d) *LOCAL SHARE.—The local share of an individual's scholarship under the program must be equal to or greater than the Corporation's share.*

## **Subtitle E—Civilian Community Corps**

**[SEC. 151. PURPOSE.**

**[It is the purpose of this subtitle to authorize the establishment of a Civilian Community Corps to provide a basis for determining—**

**[(1) whether residential service programs administered by the Federal Government can significantly increase the support for national service and community service by the people of the United States;**

**[(2) whether such programs can expand the opportunities for willing young men and women to perform meaningful, direct, and consequential acts of community service in a manner that will enhance their own skills while contributing to their understanding of civic responsibility in the United States;**

**[(3) whether retired members and former members of the Armed Forces of the United States, members and former members of the Armed Forces discharged or released from active duty in connection with reduced Department of Defense spending, members and former members of the Armed Forces discharged or transferred from the Selected Reserve of the Ready Reserve in connection with reduced Department of Defense spending, and other members of the Armed Forces not on active duty and not actively participating in a reserve component**

of the Armed Forces can provide guidance and training under such programs that contribute meaningfully to the encouragement of national and community service; and

[(4) whether domestic national service programs can serve as a substitute for the traditional option of military service in the Armed Forces of the United States which, in times of reductions in the size of the Armed Forces, is a diminishing national service opportunity for young Americans.]

**SEC. 151. PURPOSE.**

*It is the purpose of this subtitle to authorize the operation of, and support for, residential and other service programs that combine the best practices of civilian service with the best aspects of military service, including leadership and team building, to meet national and community needs. Such needs to be met under such programs include those related to natural and other disasters, which shall be addressed in coordination with the Federal Emergency Management Agency and other public and private organizations.*

**SEC. 152. ESTABLISHMENT OF [CIVILIAN COMMUNITY CORPS DEMONSTRATION] NATIONAL CIVILIAN COMMUNITY CORPS PROGRAM.**

(a) IN GENERAL.—The Corporation may establish the [Civilian Community Corps Demonstration] *National Civilian Community Corps Program* to carry out the purpose of this subtitle.

(b) PROGRAM COMPONENTS.—Under the [Civilian Community Corps Demonstration] *National Civilian Community Corps Program* authorized by subsection (a), the members of a [Civilian Community Corps] *National Civilian Community Corps* shall receive training and perform service in at least one of the following two program components:

(1) A national service program.

(2) A summer national service program.

(c) RESIDENTIAL [PROGRAMS] COMPONENTS.—Both [program components are residential programs. The members of the Corps in each program shall reside with other members of the Corps in Corps housing during the periods of the members' agreed service.] *programs referred to in subsection (b) may include a residential component.*

**SEC. 153. NATIONAL SERVICE PROGRAM.**

(a) IN GENERAL.—Under the national service program component of the [Civilian Community Corps Demonstration] *National Civilian Community Corps Program* authorized by section 152(a), eligible young people shall work in teams on [Civilian Community Corps] *National Civilian Community Corps* projects.

(b) ELIGIBLE PARTICIPANTS.—A person shall be eligible for selection for the national service program [if the person—

[(1) is at least 16 and not more than 24 years of age; and

[(2) is a high school graduate or has not received a high school diploma or its equivalent.] *if the person will be at least 18 years of age by December 31 in the calendar year in which the individual enrolls in the program.*

(c) DIVERSE [BACKGROUNDS] *BACKGROUNDS* OF PARTICIPANTS.—In selecting persons for the national service program, the Director

shall endeavor to ensure that participants are from economically, geographically, and ethnically diverse backgrounds.

\* \* \* \* \*

[(e) PERIOD OF PARTICIPATION.—Persons desiring to participate in the national service program shall enter into an agreement with the Director to participate in the Corps for a period of not less than nine months and not more than one year, as specified by the Director, and may renew the agreement for not more than one additional such period.]

**SEC. 154. SUMMER NATIONAL SERVICE PROGRAM.**

(a) IN GENERAL.—Under the summer national service program of the [Civilian Community Corps Demonstration] *National Civilian Community Corps* Program authorized by section 152(a), a diverse group of youth aged 14 through 18 years who are from urban or rural areas shall work in teams on [Civilian Community Corps] *National Civilian Community Corps* projects.

\* \* \* \* \*

(d) ALTERNATIVE BENEFIT.—*The Director may provide a scholarship for post-secondary education not to exceed \$1,000 and consistent with section 148(c) to participants under this section who do not meet the minimum age requirements for a national service educational award under section 146.*

**SEC. 155. [CIVILIAN COMMUNITY CORPS] NATIONAL CIVILIAN COMMUNITY CORPS.**

(a) DIRECTOR.—Upon the establishment of the [Civilian Community Corps Demonstration] *National Civilian Community Corps* Program, the [Civilian Community Corps] *National Civilian Community Corps* shall be under the direction of the Director appointed pursuant to section 159(c)(1).

(b) MEMBERSHIP IN CIVILIAN COMMUNITY CORPS.—

(1) PARTICIPANTS TO BE MEMBERS.—Persons selected to participate in the national service program or the summer national service program components of the Program shall become members of the [Civilian Community Corps] *National Civilian Community Corps*.

\* \* \* \* \*

(3) APPLICATION FOR MEMBERSHIP.—To be selected to become a Corps member an individual shall submit an application to the Director or to any other office as the Director may designate, at such time, in such manner, and containing such information as the Director shall require. At a minimum, the application shall contain information about the work experience of the applicant and sufficient information to enable the Director, or the [superintendent] *director* of the appropriate [camp] *campus*, to determine whether selection of the applicant for membership in the Corps is appropriate.

(4) TEAM LEADERS.—*The Director may select from Corps members individuals with prior supervisory or service experience to be team leaders within units in the National Civilian Community Corps to perform service that includes leading and supervising teams of Corps members. Team leaders shall—*

(A) *be selected without regard to the age limitation under section 153(b);*

(B) be members of the National Civilian Community Corps; and

(C) be provided the rights and benefits applicable to Corps members, except that the limitation on the amount of living allowance shall not exceed 10 percent more than the amount established under section 158(b).

\* \* \* \* \*

(d) CAMPS.—

(1) UNITS TO BE ASSIGNED TO [CAMPS] CAMPUSES.—The units of the Corps shall be grouped together as appropriate in [camps] campuses for operational, support, and boarding purposes. The Corps [camp] campus for a unit shall be in a facility or central location established as the operational headquarters and boarding place for the unit. Corps members may be housed in the [camps] campuses.

(2) CAMP [SUPERINTENDENT] DIRECTOR.—There shall be a [superintendent] director for each [camp] campus. The [superintendent] director is the head of the [camp] campus.

(3) ELIGIBLE SITE FOR [CAMP] CAMPUS.—A [camp] campus may be located in a facility referred to in section 162(a)(3).

(e) DISTRIBUTION OF UNITS AND CAMPS.—The Director shall ensure that the Corps units and [camps] campuses are distributed in urban areas and rural areas in various regions throughout the United States.

(f) STANDARDS OF CONDUCT.—

(1) IN GENERAL.—The [superintendent] director of each [camp] campus shall establish and enforce standards of conduct to promote proper moral and disciplinary conditions in the [camp] campus.

(2) SANCTIONS.—Under procedures prescribed by the Director, the [superintendent] director of a [camp] campus may—

(A) transfer a member of the Corps in that [camp] campus to another unit or [camp] campus if the [superintendent] director determines that the retention of the member in the member's unit or in the superintendent's [camp] campus will jeopardize the enforcement of the standards or diminish the opportunities of other Corps members in that unit or [camp] campus, as the case may be; or

(B) dismiss a member of the Corps from the Corps if the [superintendent] director determines that retention of the member in the Corps will jeopardize the enforcement of the standards or diminish the opportunities of other Corps members.

(3) APPEALS.—Under procedures prescribed by the Director, a member of the Corps may appeal to the Director a determination of a [camp superintendent] campus director to transfer or dismiss the member. The Director shall provide for expeditious disposition of appeals under this paragraph.

SEC. 156. TRAINING.

(a) COMMON CURRICULUM.—Each member of the [Civilian Community Corps] National Civilian Community Corps shall be provided with between three and six weeks of training that includes a comprehensive service-learning curriculum designed to promote

team building, discipline, leadership, work, training, citizenship, and physical conditioning.

\* \* \* \* \*

#### SEC. 157. SERVICE PROJECTS.

(a) PROJECT REQUIREMENTS.—The service projects carried out by the [Civilian Community Corps] *National Civilian Community Corps* shall—

(1) \* \* \*

\* \* \* \* \*

(b) PROJECT PROPOSALS.—

(1) DEVELOPMENT OF PROPOSALS.—

(A) \* \* \*

(B) OTHER SOURCES.—Other public and private organizations and agencies, including *community-based organizations* and representatives of local communities in the vicinity of a Corps [camp] *campus*, may develop proposals for projects for a Corps [camp] *campus*. Corps members shall also be encouraged to identify projects for the Corps.

(2) CONSULTATION REQUIREMENTS.—The process for developing project proposals under paragraph (1) shall include consultation with the Corporation, representatives of local communities, *State commissions*, and persons involved in other youth service programs.

(c) PROJECT SELECTION, ORGANIZATION, AND PERFORMANCE.—

(1) SELECTION.—The [superintendent] *director* of a Corps [camp] *campus* shall select the projects to be performed by the members of the Corps assigned to the units in that [camp] *campus*. The [superintendent] *director* shall select projects from among the projects proposed or identified pursuant to subsection (b).

(2) INNOVATIVE LOCAL ARRANGEMENTS FOR PROJECT PERFORMANCE.—The Director shall encourage [camp] superintendents *campus* to negotiate with representatives of local communities, to the extent practicable, innovative arrangements for the performance of projects. The arrangements may provide for cost-sharing and the provision by the communities of in-kind support and other support.

(3) DISASTER ASSISTANCE.—*The Director shall place appropriate emphasis on projects in support of disaster relief efforts.*

#### SEC. 158. AUTHORIZED BENEFITS FOR CORPS MEMBERS.

(a) IN GENERAL.—The Director shall provide for members of the [Civilian Community Corps] *National Civilian Community Corps* to receive benefits authorized by this section.

\* \* \* \* \*

(c) OTHER AUTHORIZED BENEFITS.—While receiving training or engaging in service projects as members of the [Civilian Community Corps] *National Civilian Community Corps*, members may be provided the following benefits:

(1) \* \* \*

\* \* \* \* \*



**SEC. 159. ADMINISTRATIVE PROVISIONS.**

(a) SUPERVISION.—The Chief Executive Officer shall monitor and supervise the administration of the **【Civilian Community Corps Demonstration】** *National Civilian Community Corps* Program authorized to be established under section 152. In carrying out this section, the Chief Executive Officer shall—

- (1) approve such guidelines, recommended by the Board, for the design, selection of members, and operation of the **【Civilian Community Corps】** *National Civilian Community Corps* as the Chief Executive Officer considers appropriate;

\* \* \* \* \*

(b) MONITORING AND COORDINATION.—The Chief Executive Officer shall—

- (1) monitor the overall operation of the **【Civilian Community Corps】** *National Civilian Community Corps*;

\* \* \* \* \*

(c) STAFF.—

(1) DIRECTOR.—

(A) \* \* \*

(B) DUTIES.—The Director shall—

- (i) design, develop, and administer the **【Civilian Community Corps】** *National Civilian Community Corps* programs;

\* \* \* \* \*

(2) PERMANENT CADRE.—

(A) ESTABLISHMENT.—**【The Director shall establish a permanent cadre of】** *The Chief Executive Officer shall establish a permanent cadre that includes the Director and other appointed supervisors and training instructors for 【Civilian Community Corps】 National Civilian Community Corps programs.*

(B) APPOINTMENT.—**【The Director shall appoint the members】** *The Chief Executive Officer shall consider the recommendations of the Director in appointing the other members of the permanent cadre.*

(C) EMPLOYMENT CONSIDERATIONS.—In appointing individuals to cadre positions, **【the Director】** *the Chief Executive Officer* shall—

- (i) \* \* \*

\* \* \* \* \*

(3) INAPPLICABILITY OF CERTAIN CIVIL SERVICE LAWS.—The Director, **【the】** *other* members of the permanent cadre, and the other staff personnel shall be appointed without regard to the provisions of title 5, United States Code, governing appointments in the competitive service. The rates of pay of such persons may be established without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title. In the case of a member of the permanent cadre who was recommended for appointment in accordance with section 162(a)(2)(A) and is entitled to retired or retainer pay, section 5532 of title 5, United States Code, shall not apply to reduce

the member's retired or retainer pay by reason of the member being paid as a member of the cadre.

\* \* \* \* \*

**SEC. 160. STATUS OF CORPS MEMBERS AND CORPS PERSONNEL UNDER FEDERAL LAW.**

(a) IN GENERAL.—Except as otherwise provided in this section, members of the [Civilian Community Corps] *National Civilian Community Corps* shall not, by reason of their status as such members, be considered Federal employees or be subject to the provisions of law relating to Federal employment.

\* \* \* \* \*

**SEC. 161. CONTRACT AND GRANT AUTHORITY.**

(a) PROGRAMS.—The Director may, by contract or grant, provide for any public or private organization to [perform any program function under this subtitle] *carry out the National Civilian Community Corps program.*

(b) EQUIPMENT AND FACILITIES.—

(1) \* \* \*

(2) OTHER PROPERTY.—The Director may enter into contracts or agreements for the use of other equipment or facilities to the extent practicable to train and house members of the [Civilian Community Corps] *National Civilian Community Corps* and leaders of Corps units.

**SEC. 162. RESPONSIBILITIES OF OTHER DEPARTMENTS.**

(a) SECRETARY OF DEFENSE.—

(1) LIAISON OFFICE.—

(A) ESTABLISHMENT.—Upon the establishment of the Program, the Secretary of Defense shall establish an office to provide for liaison between the Secretary and the [Civilian Community Corps] *National Civilian Community Corps.*

\* \* \* \* \*

(2) CORPS CADRE.—

(A) LIST OF RECOMMENDED PERSONNEL.—Upon the establishment of the Program, the Secretary of Defense, in consultation with the liaison office established under paragraph (1) shall develop a list of individuals [to be recommended for appointment] *from which individuals may be selected for appointment by the Director* in the permanent cadre of Corps personnel. Such personnel shall be selected from among members and former members of the Armed Forces referred to in section 151(3) who are commissioned officers, noncommissioned officers, former commissioned officers, or former noncommissioned officers.

\* \* \* \* \*

(3) FACILITIES.—Upon the establishment of the Program, the Secretary of Defense shall identify military installations and other facilities of the Department of Defense and, in consultation with the adjutant generals of the State National Guards, National Guard facilities that may be used, in whole or in part, by the [Civilian Community Corps] *National Civilian Community Corps* for training or housing Corps members. The Sec-

retary of Defense shall carry out this paragraph in consultation with the liaison office established under paragraph (1).

\* \* \* \* \*

(b) SECRETARY OF LABOR.—Upon the establishment of the Program, the Secretary of Labor shall identify and assist in establishing a system for the recruitment of persons to serve as members of the **【Civilian Community Corps】** *National Civilian Community Corps*. In carrying out this subsection, the Secretary of Labor may utilize the Employment Service Agency or the Office of Job Training.

#### **【SEC. 163. ADVISORY BOARD.**

**【(a) ESTABLISHMENT AND PURPOSE.**—Upon the establishment of the Program, there shall also be established a Civilian Community Corps Advisory Board to advise the Director concerning the administration of this subtitle and to assist in the development and administration of the Corps.

**【(b) MEMBERSHIP.**—The Advisory Board shall be composed of the following members:

- 【(1) The Secretary of Labor.**
- 【(2) The Secretary of Defense.**
- 【(3) The Secretary of the Interior.**
- 【(4) The Secretary of Agriculture.**
- 【(5) The Secretary of Education.**
- 【(6) The Secretary of Housing and Urban Development.**
- 【(7) The Chief of the National Guard Bureau.**
- 【(8) Individuals appointed by the Director from among persons who are broadly representative of educational institutions, voluntary organizations, industry, youth, and labor unions.**
- 【(9) The Chief Executive Officer.**

**【(c) INAPPLICABILITY OF TERMINATION REQUIREMENT.**—Section 14 of the Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the Advisory Board.】

#### **SEC. 164. ANNUAL EVALUATION.**

Pursuant to the provisions for evaluations conducted under section 179, and in particular subsection (g) of such section, the Corporation shall conduct an annual evaluation of the **【Civilian Community Corps】** *National Civilian Community Corps* programs authorized under this subtitle.

#### **【SEC. 165. FUNDING LIMITATION.**

**【The Corporation, in consultation with the Director, shall ensure that no amounts appropriated under section 501 are utilized to carry out this subtitle.】**

#### **SEC. 166. DEFINITIONS.**

In this subtitle:

- (1) BOARD.—The term “Board” means the Board of Directors of the Corporation.
- (2) CAMPUS DIRECTOR.—*The term “campus director”, with respect to a Corps campus, means the head of the campus under section 155(d).*
- 【(2)】** (3) CORPS.—The terms “**【Civilian Community Corps】** *National Civilian Community Corps*” and “Corps” mean the **【Civilian Community Corps】** *National Civilian Community Corps* required under section 155 as part of the **【Civilian Com-**

munity Corps Demonstration] *National Civilian Community Corps Program*.

[(3)] (4) CORPS [CAMP] *CAMPUS*.—The term “Corps [camp] *campus*” means the facility or central location established as the operational headquarters and boarding place for particular Corps units.

[(4)] (5) CORPS MEMBERS.—The term “Corps members” means persons receiving training and participating in projects under the [Civilian Community Corps Demonstration] *National Civilian Community Corps Program*.

[(5)] (6) DIRECTOR.—The term “Director” means the Director of the [Civilian Community Corps] *National Civilian Community Corps*.

[(6)] (7) INSTITUTION OF HIGHER EDUCATION.—The term “institution of higher education” has the meaning given that term in section 101 of the Higher Education Act of 1965.

[(7)] (8) PROGRAM.—The terms “[Civilian Community Corps Demonstration] *National Civilian Community Corps Program*” and “Program” mean the [Civilian Community Corps Demonstration] *National Civilian Community Corps Program* established pursuant to section 152.

[(8)] (9) SERVICE LEARNING.—The term “service learning”, with respect to Corps members, means a method—

(A) \* \* \*

\* \* \* \* \*

[(9)] SUPERINTENDENT.—The term “superintendent”, with respect to a Corps camp, means the head of the camp under section 155(d).]

(10) UNIT.—The term “unit” means a unit of the Corps referred to in section 155(c).

#### **SEC. 167. EMERGENCY RESPONSE CORPS.**

(a) *AUTHORITY TO PROVIDE ASSISTANCE.*—Subject to the availability of appropriations under this subtitle for this purpose, the Corporation may make grants, and provide an allotment of educational awards, to State and local public agencies and private non-profit organizations, including institutions of higher education, for the purpose of supporting the development and operation of emergency response corps as part of the *National Civilian Community Corps*.

(b) *ELIGIBLE PROGRAMS.*—A recipient of a grant under this section shall conduct an emergency response corps program, which may include a residential program, in which individuals at least 18 years of age receive training and are deployed to respond to natural and other disasters and otherwise support local communities in public safety, public health, and emergency preparedness. Such a program may include national service opportunities for participants to be trainees as law enforcement officers, firefighters and rescue personnel, search and rescue personnel, emergency medical service workers, and disaster services workers.

(c) *USE OF FUNDS.*—

(1) *ALLOWABLE COSTS.*—A recipient of a grant under this section may use the amounts of the grant to pay costs attributable to the development or operation of an emergency response corps including—

(A) *for residential programs, a living allowance that does not exceed the amount that is provided to National Civilian Community Corps members under section 158(b);*

(B) *other member benefits and services consistent with those authorized under subsections (c) and (d) of section 158;*

(C) *recruitment;*

(D) *training;*

(E) *insurance; and*

(F) *management.*

(2) **ADMINISTRATIVE COSTS.**—*A recipient of a grant under this section may use up to 5 percent of the amount of the grant provided by the Corporation to pay for the recipient's cost of administering the approved program.*

(d) **NATIONAL SERVICE EDUCATIONAL AWARDS.**—*An individual who successfully completes a term of service in an emergency response corps may receive the national service educational award described in subtitle D if the individual—*

(1) *serves in an approved national service position; and*

(2) *satisfies the eligibility requirements specified in section 146 with respect to service in that approved national service position.*

## Subtitle F—Administrative Provisions

### SEC. 171. FAMILY AND MEDICAL LEAVE.

(a) **PARTICIPANTS IN PRIVATE, STATE, AND LOCAL PROJECTS.**—For purposes of title I of the Family and Medical Leave Act of 1993 (29 U.S.C. 2601 et seq.), if—

(1) *a participant has provided service for the period required by section 101(2)(A)(i) (29 U.S.C. 2611(2)(A)(i)), and has met the hours of service requirement of section 101(2)(A)(ii), of such Act [with respect to a project] with respect to a project authorized under the national service laws; and*

(b) **SERVICE SPONSORS.**—*Participants in a project authorized under the national service laws shall not be considered employees for purposes of determining whether a service sponsor is an employer under subsection (a)(2).*

[(b)] (c) **PARTICIPANTS IN FEDERAL PROJECTS.**—For purposes of subchapter V of chapter 63 of title 5, United States Code, if—

(1) \* \* \*

\* \* \* \* \*

[(c)] (d) **TREATMENT OF ABSENCE.**—*The period of any absence of a participant from a service position pursuant to title I of the Family and Medical Leave Act of 1993 or subchapter V of chapter 63 of title 5, United States Code, shall not be counted toward the completion of the term of service of the participant under section 139 of this Act.*

\* \* \* \* \*

### SEC. 174. PROHIBITION ON USE OF FUNDS.

(a) \* \* \*

\* \* \* \* \*

(d) *REFERRALS FOR FEDERAL ASSISTANCE.*—A program may not receive assistance under the national service laws for the sole purpose of referring individuals to Federal assistance programs or State assistance programs funded in part by the Federal government.

(e) *SEX EDUCATION PROGRAMS.*—No assistance made available under the national service laws shall be used—

(1) to develop or distribute materials or operate programs or courses of instruction directed at youth that are designed to promote or encourage sexual activity;

(2) to distribute or aid in the distribution by any organization of obscene materials to minors on school grounds;

(3) to provide in schools—

(A) sex education, unless such education is age appropriate and includes discussion of the health benefits of abstinence; and

(B) HIV-prevention instruction, unless such instruction is age appropriate, includes discussion of the health benefits of abstinence, and includes discussion of the health risks of the human papillomavirus (HPV), consistent with the provisions of section 317P(c) of the Public Health Service Act (42 U.S.C. 247b–17(c)), or

(4) to operate a program of contraceptive distribution in schools.

\* \* \* \* \*

#### **SEC. 176. NOTICE, HEARING, AND GRIEVANCE PROCEDURES.**

(a) **IN GENERAL.**—

(1) **SUSPENSION OF PAYMENTS.**—The Corporation may in accordance with the provisions of [this title] *the national service laws*, suspend or terminate payments under a contract or grant providing assistance under [this title] *the national service laws*, or revoke the designation of positions, related to the grant or contract, as approved national service positions, whenever the Corporation determines there is a material failure to comply with [this title] *the national service laws* or the applicable terms and conditions of any such grant or contract issued pursuant to [this title] *the national service laws*.

(2) **PROCEDURES TO ENSURE ASSISTANCE.**—The Corporation shall prescribe procedures to ensure that—

(A) assistance provided under [this title] *the national service laws* shall not be suspended for failure to comply with the applicable terms and conditions of [this title] *the national service laws* except, in emergency situations, a suspension may be granted for [30 days] *1 or more periods of 30 days not to exceed 90 days in total*; and

(B) assistance provided under [this title] *the national service laws* shall not be terminated or revoked for failure to comply with applicable terms and conditions of [this title] *the national service laws* unless the recipient of such assistance has been afforded reasonable notice and opportunity for a full and fair hearing.

(b) **HEARINGS.**—Hearings or other meetings that may be necessary to fulfill the requirements of this section shall be held at lo-

cations convenient to the recipient of assistance under [this title] *the national service laws*.

\* \* \* \* \*

(d) STATE LEGISLATION.—Nothing in [this title] *the national service laws* shall be construed to preclude the enactment of State legislation providing for the implementation, consistent with [this title] *the national service laws*, of the programs administered under [this title] *the national service laws*.

(e) CONSTRUCTION.—Nothing in [this title] *the national service laws* shall be construed to link performance of service with receipt of Federal student financial assistance, other than assistance provided pursuant to this Act.

(f) GRIEVANCE PROCEDURE.—

(1) IN GENERAL.—[A State or local applicant] *An entity* that receives assistance under [this title] *the national service laws* shall establish and maintain a procedure for the filing and adjudication of grievances from participants, labor organizations, and other interested individuals concerning projects that receive assistance under [this title] *the national service laws*, including grievances regarding proposed placements of such participants in such projects.

\* \* \* \* \*

(5) PROPOSED PLACEMENT.—If a grievance is filed regarding a proposed placement of a participant in a project that receives assistance under [this title] *the national service laws*, such placement shall not be made unless the placement is consistent with the resolution of the grievance pursuant to this subsection.

(6) REMEDIES.—Remedies for a grievance filed under this subsection include—

(A) suspension of payments for assistance under [this title] *the national service laws*;

(B) termination of such payments;

(C) prohibition of the placement described in paragraph (5); [and]

(D) *in a grievance filed by an individual applicant or participant—*

(i) *the applicant's selection or the participant's reinstatement, as the case may be; and*

(ii) *other changes in the terms and conditions of service.*

[(D)] (E) *in a case in which the grievance involves a violation of subsection (a) or (b) of section 177 and the employer of the displaced employee is the recipient of assistance under [this title] the national service laws—*

(i) \* \* \*

\* \* \* \* \*

#### SEC. 177. NONDUPLICATION AND NONDISPLACEMENT.

(a) NONDUPLICATION.—

(1) IN GENERAL.—Assistance provided [under this title] *under the national service laws* shall be used only for a program that does not duplicate, and is in addition to, an activity otherwise available in the locality of such program.

(2) PRIVATE NONPROFIT ENTITY.—Assistance made available **under this title** *under the national service laws* shall not be provided to a private nonprofit entity to conduct activities that are the same or substantially equivalent to activities provided by a State or local government agency that such entity resides in, unless the requirements of subsection (b) are met.

(b) NONDISPLACEMENT.—

(1) IN GENERAL.—An employer shall not displace an **employee or position** *employee, position, or volunteer (other than a participant under the national service laws)*, including partial displacement such as reduction in hours, wages, or employment benefits, as a result of the use by such employer of a participant in a program receiving assistance **under this title** *under the national service laws*.

\* \* \* \* \*

**[(e) STANDARDS OF CONDUCT.—**Programs that receive assistance under this title shall establish and stringently enforce standards of conduct at the program site to promote proper moral and disciplinary conditions.**]**

(e) STANDARDS OF CONDUCT.—

(1) IN GENERAL.—*Programs that receive assistance under the national service laws shall establish and stringently enforce standards of conduct at the program site to promote proper moral and disciplinary conditions, and shall consult with the parents or legal guardians of children in developing and operating programs that include and serve children.*

(2) PARENTAL PERMISSION.—*Programs that receive assistance under the national service laws shall, consistent with State law, before transporting minor children, provide the reason for and obtain written permission of the children's parents.*

#### SEC. 178. STATE COMMISSIONS ON NATIONAL AND COMMUNITY SERVICE.

(a) \* \* \*

\* \* \* \* \*

(c) COMPOSITION AND MEMBERSHIP.—

(1) REQUIRED MEMBERS.—The State Commission for a State shall include as voting members at least one of each of the following individuals:

(A) \* \* \*

\* \* \* \* \*

(J) *A representative of the volunteer sector.*

\* \* \* \* \*

(3) CORPORATION REPRESENTATIVE.—The representative of the Corporation designated under section 195(c) for a State shall be an ex officio nonvoting member of the State Commission or alternative administrative entity for that State**], unless the State permits the representative to serve as a voting member of the State Commission or alternative administrative entity].**

\* \* \* \* \*



(e) DUTIES OF A STATE COMMISSION.—The State Commission or alternative administrative entity for a State shall be responsible for the following duties:

[(1) Preparation of a national service plan for the State that—

[(A) is developed through an open and public process (such as through regional forums, hearings, and other means) that provides for maximum participation and input from national service programs within the State and other interested members of the public;

[(B) covers a 3-year period;

[(C) is updated annually;

[(D) ensures outreach to diverse community-based agencies that serve underrepresented populations, by—

[(i) using established networks, and registries, at the State level; or

[(ii) establishing such networks and registries; and

[(E) contains such information as the State Commission considers to be appropriate or as the Corporation may require.]

(1) *Preparation of a national service plan that—*

*(A) is developed through an open and public process (such as through regional forums, hearings, and other means) that provides for maximum participation and input from nonprofit organizations and public agencies using service and volunteerism as a strategy to meet critical community needs, including programs funded under the national service laws;*

*(B) covers a 3-year period, the beginning of which may be set by the State;*

*(C) is subject to approval by the Chief Executive Officer;*

*(D) includes measurable goals and outcomes;*

*(E) ensures outreach to community and religious organizations, including those that serve underrepresented populations;*

*(F) provides for effective coordination of funding applications submitted by the State and others within the State under the national service laws; and*

*(G) identifies potential changes in practices and policies that will improve the coordination and effectiveness of Federal, State, and local resources for service and volunteerism within the State.*

\* \* \* \* \*

(f) RELIEF FROM ADMINISTRATIVE REQUIREMENTS.—Upon approval of a State plan submitted under subsection (e)(1), the Chief Executive Officer may waive, or specify alternatives to, administrative requirements (other than statutory provisions) otherwise applicable to grants made to States under the national service laws, including those requirements identified by a State as impeding the coordination and effectiveness of Federal, State, and local resources for service and volunteerism within a State.

[(f)] (g) ACTIVITY INELIGIBLE FOR ASSISTANCE.—A State Commission or alternative administrative entity may not directly carry out any national service program that receives assistance under section 121.

[(g)] (h) DELEGATION.—Subject to such requirements as the Corporation may prescribe, a State Commission may delegate non-policy-making duties to a State agency or public or private nonprofit organization.

[(h)] (i) APPROVAL OF STATE COMMISSION OR ALTERNATIVE.—

(1) \* \* \*

\* \* \* \* \*

[(i)] (j) COORDINATION.—

(1) COORDINATION WITH OTHER STATE AGENCIES.—The State Commission or alternative administrative entity for a State shall coordinate the activities of the Commission or entity under this Act with the activities of other State agencies that administer Federal financial assistance programs under the Community Services Block Grant Act (42 U.S.C. 9901 et seq.) or other appropriate Federal financial assistance programs[.], *consistent with section 174(d).*

\* \* \* \* \*

[(j)] (k) LIABILITY.—

(1) \* \* \*

\* \* \* \* \*

#### SEC. 179. EVALUATION.

(a) IN GENERAL.—The Corporation shall provide, through grants or contracts, for the continuing evaluation of programs that receive assistance under the national service laws, including evaluations that measure the impact of such programs, [to determine—

[(1) the effectiveness of various program models in achieving stated goals and the costs associated with such;

[(2) with respect to the programs authorized under subtitle C, the impact of such programs, in each State in which a program is conducted, on the ability of—

[(A) the VISTA and National Senior Volunteer Corps programs (established under the Domestic Volunteer Services Act of 1973 (42 U.S.C. 4950 et seq.));

[(B) each regular component of the Armed Forces (as defined in section 101(a)(4) of title 10, United States Code);

[(C) each of the reserve components of the Armed Forces (as described in section 10101 of title 10, United States Code); and

[(D) the Peace Corps (as established by the Peace Corps Act (22 U.S.C. 2501 et seq.));

to recruit individuals residing in such State to serve in such program; and

[(3) the structure and mechanisms for delivery of services for such programs.] *to determine the effectiveness of programs supported under the national service laws in achieving stated goals and the costs associated with each of such programs, while conducting research on the role of service and civic engagement as a means of fostering healthy civic organizations.*

\* \* \* \* \*

(g) PROGRAM OBJECTIVES.—The Corporation shall ensure that programs that receive assistance under subtitle C are evaluated to determine their effectiveness in—

(1) \* \* \*

\* \* \* \* \*

(3) encouraging each participant to engage in public and community service after completion of the program based on career choices and service in other service programs such as the Volunteers in Service to America Program and [National Senior Volunteer Corps] *National Senior Service Corps* programs established under the Domestic Volunteer Service Act of 1973 (42 U.S.C. 4950 et seq.), the Peace Corps (as established by the Peace Corps Act (22 U.S.C. 2501 et seq.)), the military, and part-time volunteer service;

\* \* \* \* \*

(9) attracting a greater number of citizens [to public service, including service in the active and reserve components of the Armed Forces, the National Guard, the Peace Corps (as established by the Peace Corps Act (22 U.S.C. 2501 et seq.)), and the VISTA and National Senior Volunteer Corps programs established under the Domestic Volunteer Service Act of 1973 (42 U.S.C. 4950 et seq.).] *to engage in service that benefits the community.*

\* \* \* \* \*

(j) *RESERVED PROGRAM FUNDS FOR ACCOUNTABILITY.—In addition to amounts appropriated to carry out this section, the Corporation may reserve up to 1 percent of total program funds appropriated in a fiscal year under the national service laws to support program accountability activities.*

\* \* \* \* \*

#### **SEC. 181. CONTINGENT EXTENSION.**

Section [414] 422 of the General Education Provisions Act (20 U.S.C. 1226a) shall apply to this Act.

\* \* \* \* \*

#### **SEC. 185. CONSOLIDATED APPLICATION AND REPORTING REQUIREMENTS.**

*To promote efficiency and eliminate duplicative requirements, the Corporation may consolidate or modify application procedures and reporting requirements for programs and activities funded under the national service laws.*

#### **SEC. 186. ACCOUNTABILITY FOR RESULTS.**

(a) *MEASURES.—*

(1) *ESTABLISHMENT OF MEASURES.—The Corporation shall establish, in consultation with grantees receiving assistance under the national service laws, performance measures for each grantee.*

(2) *CONTENT.—The measures described in paragraph (1) shall include—*

(A) *the number of participants enrolled as compared to the number stated in the organization's approved application for assistance;*

(B) *evidence of community support, such as private financial contributions and volunteers recruited from the community;*

- (C) progress toward program outcome measures; and
- (D) performance on other measures as determined by the Corporation.

(3) *SOURCE.*—The measures described in paragraph (1) may include self-reported data from grantees or independent data collected by the Corporation.

(b) *CORRECTIVE PLANS.*—A grantee that does not achieve the established levels of performance on the measures, as determined by the Corporation, shall submit to the Corporation for approval a plan of correction to achieve the established levels of performance.

(c) *FAILURE TO MEET PERFORMANCE LEVELS.*—If, after a period for correction as approved by the Corporation, a grantee or subgrantee fails to achieve the established levels of performance, the Corporation shall—

(1) reduce the annual amount of the grant award attributable to the underperforming grantee or subgrantee by at least 25 percent; or

(2) terminate assistance to the underperforming grantee or subgrantee, consistent with section 176(a).

(d) *REPORTS TO CONGRESS.*—The Corporation shall submit a report to Congress within 2 years after the date of enactment of this section, and annually thereafter, containing information on the number of programs implementing corrective plans and the number of programs for which assistance is terminated, and the number of programs meeting or exceeding their performance measures under this section for the year covered by the report.

#### **SEC. 187. SUSTAINABILITY.**

(a) *GOALS.*—To ensure that recipients of assistance under the national service laws are meeting sustainability goals, the Corporation may, in consultation with recipients of assistance under the national service laws, establish policies and procedures to—

(1) establish limits on the number of years recipients may receive assistance to carry out a project;

(2) increase match requirements; and

(3) implement measures to ascertain whether projects are generating sufficient community support.

(b) *ENFORCEMENT.*—Any action by the Corporation to suspend or terminate assistance to recipients that do not meet sustainability goals set by the Corporation shall be consistent with section 176(a) and section 186.

#### **SEC. 188. USE OF RECOVERED FUNDS.**

(a) *FACTORS CONSIDERED IN APPROVING REPAYMENT.*—After the date of enactment of this section, whenever the Corporation recovers funds paid to a recipient under a grant or cooperative agreement made under the national service laws because the recipient made an expenditure of funds that was not allowable, or otherwise failed to discharge its responsibility to account properly for funds, the Corporation may consider those funds to be additional funds available and may arrange to repay to the recipient affected by that action an amount not to exceed 75 percent of the recovered funds if the Corporation determines that—

(1) the practices or procedures of the recipient that resulted in the recovery of funds have been corrected, and that the recipient is in all other respects in compliance with the requirements

*of the grant or cooperative agreement, if the recipient was notified of any noncompliance with such requirements and given a reasonable period of time to remedy such noncompliance;*

*(2) the recipient has submitted to the Corporation a plan for the use of those funds consistent with the national service laws and, to the extent possible, for the benefit of the community affected by the recovery of funds; and*

*(3) the use of those funds in accordance with that plan would serve to achieve the objectives of the grant or cooperative agreement under which the funds were originally paid.*

*(b) TERMS AND CONDITIONS OF REPAYMENT.—Any payments by the Corporation under this section shall be subject to other terms and conditions as the Corporation considers necessary to accomplish the purposes of the grant or cooperative agreement, including—*

*(1) the submission of periodic reports on the use of funds provided under this section; and*

*(2) consultation by the recipient with members of the community that will benefit from the payments.*

*(c) AVAILABILITY OF FUNDS.—Notwithstanding any other provision of law, the funds made available under this section shall remain available for expenditure for a period of time considered reasonable by the Corporation, but in no case to exceed more than 3 fiscal years following the later of—*

*(1) the fiscal year in which final agency action regarding the disallowance of funds is taken; or*

*(2) if such recipient files a petition for judicial review regarding the disallowance of funds, the fiscal year in which final judicial action is taken on such a petition.*

*(d) PUBLICATION IN FEDERAL REGISTER.—At least 60 days prior to entering into an arrangement under this section, the Corporation shall publish in the Federal Register a notice of intent to enter into such an arrangement and the terms and conditions under which payments will be made. Interested persons shall have an opportunity for at least 30 days to submit comments to the Corporation regarding the proposed arrangement.*

#### **SEC. 189. CAPACITY BUILDING.**

*Participants in programs supported under the national service laws, including individuals serving in approved national service positions, may engage in activities, including recruiting and managing volunteers, that increase the capacity of organizations that receive assistance under the national service laws to address unmet human, educational, environmental, or public safety needs.*

#### **SEC. 189A. EXPENSES OF ATTENDING MEETINGS.**

*Notwithstanding section 1345 of title 31, United States Code, funds authorized under the national service laws shall be available for expenses of attendance of meetings that are concerned with the functions or activities for which the funds are appropriated or which will contribute to improved conduct, supervision, or management of those functions or activities.*

#### **SEC. 189B. FEES.**

*(a) COLLECTION OF FEES.—The Corporation may charge and retain fair and reasonable fees for training, technical assistance, and publications. The amount of the fees shall be based on the cost of the activities or publications to the Corporation.*

(b) *NOT FEDERAL FUNDS.*—Fees collected under subsection (a) shall not be considered to be Federal funds and shall not be required to be deposited in the Treasury of the United States.

(c) *ANNUAL REPORTS.*—The Corporation shall submit to the appropriate committees of Congress an annual report that includes the services or publications provided on a fee basis and the amount of fees received.

**SEC. 189C. GRANT PERIODS.**

Unless otherwise specifically provided, the Corporation has authority to make a grant under the national service laws for a period of 3 years.

**SEC. 189D. GENERATION OF VOLUNTEERS.**

In making decisions on applications for assistance or approved national service positions under the national service laws, the Corporation shall take into consideration the extent to which the applicant's proposal will increase the involvement of volunteers in meeting community needs.

**SEC. 189E. LIMITATION ON PROGRAM GRANT COSTS.**

(a) *LIMITATION ON GRANT AMOUNTS.*—Except as otherwise provided by this section, the amount of funds approved by the Corporation in a grant to operate a program authorized under the national service laws supporting individuals serving in approved national service positions may not exceed \$16,000 per full-time equivalent position.

(b) *COSTS SUBJECT TO LIMITATION.*—The limitation in subsection (a) applies to the Corporation's share of member support costs, staff costs, and other costs borne by the grantee or subgrantee to operate a program.

(c) *COSTS NOT SUBJECT TO LIMITATION.*—The limitation in subsection (a) and (e)(1) shall not apply to expenses that are not included in the program operating grant award.

(d) *ADJUSTMENTS FOR INFLATION.*—The amount specified in subsections (a) and (e)(1) shall be adjusted each year after 2003 for inflation as measured by the Consumer Price Index for All Urban Consumers published by the Secretary of Labor.

(e) *WAIVER AUTHORITY AND REPORTING REQUIREMENT.*—

(1) *WAIVER.*—The Chief Executive Officer may waive the requirements of this section, up to a maximum of \$18,000, if necessary to meet the compelling needs of a particular program, such as exceptional training needs for a program serving disadvantaged youth, increased costs relating to the participation of individuals with disabilities, and start-up costs associated with a first-time grantee, and up to a maximum of \$20,000 for residential programs.

(2) *REPORTS.*—The Chief Executive Officer shall report to Congress annually on all waivers granted under this section, with an explanation of the compelling needs justifying such waivers.

**SEC. 189F. NOTICE REQUIREMENT.**

(a) The Corporation shall ensure that the following notice is included in all application materials, grant announcements, and other material containing information regarding the application for assistance provided under the national service laws: "The Civil

*Rights Act of 1964 prohibits employers with 15 or more employees from engaging in employment practices that discriminate against an individual based on religion. Under section 702(a) of the Civil Rights Act, this prohibition generally does not apply to a religious corporation, association, educational institution, or society. However, as a requirement of receiving funding under the national service laws, any such religious entity shall not discriminate based on religion when employing new staff paid with funds received under the national service laws pursuant to section 175(c) of the National and Community Service Act of 1990 (42 U.S.C. 12635(c)) and section 417(c) of the Domestic Volunteer Service Act of 1973 (42 U.S.C. 5057(c)).”.*

*(b) Before providing assistance to a private entity referenced in paragraph (1), the Corporation shall ensure that written confirmation, separate from any other documents required by law or regulation, is obtained from such private entity acknowledging the recipient of assistance or funds has read and understands the following: “The Civil Rights Act of 1964 prohibits employers with 15 or more employees from engaging in employment practices that discriminate against an individual based on religion. Under section 702(a) of the Civil Rights Act, this prohibition generally does not apply to a religious corporation, association, educational institution, or society. However, as a requirement of receiving funding under the national service laws, any such religious entity shall not discriminate based on religion when employing new staff paid with funds received under the national service laws pursuant to section 175(c) of the National and Community Service Act of 1990 (42 U.S.C. 12635(c)) and section 417(c) of the Domestic Volunteer Service Act of 1973 (42 U.S.C. 5057(c)).”.*

*(c) Subsections (a) and (b) of this section shall not amend, supersede, or otherwise affect rights, protections, or duties under the Civil Rights laws of the United States, the national service laws, or any other law.*

#### **SEC. 189G. AUDITS AND REPORTS.**

*The Corporation shall comply with applicable audit and reporting requirements as provided in the Chief Financial Officers Act of 1990 (31 U.S.C. 501 et seq.) and the Government Corporation Control Act of 1945 (31 U.S.C. 9101 et seq.). The Corporation shall report to the Congress any failure to comply with the requirements of such audits.*

## **Subtitle G—Corporation for National and Community Service**

\* \* \* \* \*

#### **SEC. 192. BOARD OF DIRECTORS.**

(a) \* \* \*

\* \* \* \* \*

**[(c) TERMS.—**Each appointed member of the Board shall serve for a term of 5 years, except that, as designated by the President—

**[(1)** 3 of the members first appointed to the Board shall serve for a term of 1 year;

[(2) 3 of the members first appointed to the Board shall serve for a term of 2 years;

[(3) 3 of the members first appointed to the Board shall serve for a term of 3 years;

[(4) 3 of the members first appointed to the Board shall serve for a term of 4 years; and

[(5) 3 of the members first appointed to the Board shall serve for a term of 5 years.]

(c) *TERMS.*—Subject to subsection (e), each appointed member shall serve for a term of 5 years.

\* \* \* \* \*

(e) *SERVICE UNTIL APPOINTMENT OF SUCCESSOR.*—A voting member of the Board whose term has expired may continue to serve until the earlier of—

(1) the date on which a successor has taken office; or

(2) the date on which the Congress adjourns sine die to end the session of Congress that commences after the date on which the member's term expired.

#### **SEC. 192A. AUTHORITIES AND DUTIES OF THE BOARD OF DIRECTORS.**

(a) \* \* \*

\* \* \* \* \*

(g) *DUTIES.*—The Board [shall—] shall have responsibility for setting overall policy for the Corporation and shall—

(1) \* \* \*

[(2) review and approve the proposal described in section 193A(b)(2)(A), with respect to the grants, allotments, contracts, financial assistance, payment, and positions referred to in such section;]

[(3)] (2) review and approve the proposal described in section 193A(b)(3)(A), regarding the regulations, standards, policies, procedures, programs, and initiatives referred to in such section;

[(4)] (3) review and approve the evaluation plan described in section 193A(b)(4)(A);

[(5)(A)] (4)(A) review, and advise the Chief Executive Officer regarding, the actions of the Chief Executive Officer with respect to the personnel of the Corporation, and with respect to such standards, policies, procedures, programs, and initiatives as are necessary or appropriate to carry out the national service laws; and

\* \* \* \* \*

[(6)] (5) receive any report as provided under subsection (b), (c), or (d) of section 8E of the Inspector General Act of 1978;

[(7)] (6) make recommendations relating to a program of research for the Corporation with respect to national and community service programs, including service-learning programs;

[(8)] (7) advise the President and the Congress concerning developments in national and community service that merit the attention of the President and the Congress;

[(9)] (8) ensure effective dissemination of information regarding the programs and initiatives of the Corporation; and

[(10)] (9) notwithstanding any other provision of law, make grants to or contracts with Federal or other public departments



or agencies and private nonprofit organizations for the assignment or referral of volunteers under the provisions of the Domestic Volunteer Service Act of 1973 (except as provided in section 108 of the Domestic Volunteer Service Act of 1973), which may provide that the agency or organization shall pay all or a part of the costs of the **program; and** *program under a cost share agreement, as determined by the Corporation, in which the funds advanced or received as reimbursement shall be credited directly to a current appropriation.*

**[(11) prepare and make recommendations to the Congress and the President for changes in the national service laws resulting from the studies and demonstrations the Chief Executive Officer is required to carry out under section 193A(b)(10), which recommendations shall be submitted to the Congress and President not later than September 30, 1995.]**

\* \* \* \* \*

**SEC. 193A. AUTHORITIES AND DUTIES OF THE CHIEF EXECUTIVE OFFICER.**

(a) \* \* \*

(b) **DUTIES.**—In addition to the duties conferred on the Chief Executive Officer under any other provision of the national service laws, the Chief Executive Officer shall—

(1) \* \* \*

\* \* \* \* \*

(9) prepare and submit to the appropriate committees of Congress an annual report, and such interim reports as may be necessary, describing—

(A) \* \* \*

\* \* \* \* \*

(C) information on the results achieved by the programs funded under the national service laws during the year preceding the year in which the report is prepared; *and*

**[(10) provide for studies (including the evaluations described in subsection (f)) and demonstrations that evaluate, and prepare and submit to the Board by June 30, 1995, a report containing recommendations regarding, issues related to—**

**[(A) the administration and organization of programs authorized under the national service laws or under Public Law 91–378 (referred to in this subparagraph as “service programs”), including—**

**[(i) whether the State and national priorities designed to meet the unmet human, education, environmental, or public safety needs described in section 122(c)(1) are being addressed by this Act;**

**[(ii) the manner in which—**

**[(I) educational and other outcomes of both stipended and nonstipended service and service-learning are defined and measured in such service programs; and**

**[(II) such outcomes should be defined and measured in such service programs;**

**[(iii) whether stipended service programs, and service programs providing educational benefits in return**

for service, should focus on economically disadvantaged individuals or at-risk youth or whether such programs should include a mix of individuals, including individuals from middle- and upper-income families;

[(iv) the role and importance of stipends and educational benefits in achieving desired outcomes in the service programs;

[(v) the potential for cost savings and coordination of support and oversight services from combining functions performed by ACTION State offices and State Commissions;

[(vi) the implications of the results from such studies and demonstrations for authorized funding levels for the service programs; and

[(vii) other issues that the Director determines to be relevant to the administration and organization of the service programs; and

[(B) the number, potential consolidation, and future organization of national service or domestic volunteer service programs that are authorized under Federal law, including VISTA, service corps assisted under subtitle C and other programs authorized by this Act, programs administered by the Public Health Service, the Department of Defense, or other Federal agencies, programs regarding teacher corps, and programs regarding work-study and higher education loan forgiveness or forbearance programs authorized by the Higher Education Act of 1965 (20 U.S.C. 1001 et seq.) related to community service; and]

[(11)] (10) for purposes of section 178(d)(6)(B), issue regulations to waive the disqualification of members of the Board and members of the State Commissions selectively in a random, nondiscretionary manner and only to the extent necessary to establish the quorum involved, including rules that forbid each member of the Board and each voting member of a State Commission to participate in any discussion or decision regarding the provision of assistance or approved national service positions, or the continuation, suspension, or termination of such assistance or such positions, to any program or entity of which such member of the Board or such member of the State Commission is, or in the 1-year period before the submission of the application referred to in such section was, an officer, director, trustee, full-time volunteer, or employee.

(c) POWERS.—In addition to the authority conferred on the Chief Executive Officer under any other provision of the national service laws, the Chief Executive Officer may—

(1) \* \* \*

\* \* \* \* \*

(9) consolidate the reports to Congress required under the national service laws, and the report required under section 9106 of title 31, United States Code, into a single report, and submit the report to Congress on an annual basis; [and]

(10) obtain the opinions of peer reviewers in evaluating applications to the Corporation for assistance under this title; and

[(10)] (11) generally perform such functions and take such steps consistent with the objectives and provisions of the national service laws, as the Chief Executive Officer determines to be necessary or appropriate to carry out such provisions.

\* \* \* \* \*

[(f) EVALUATIONS.—

[(1) EVALUATION OF LIVING ALLOWANCE.—The Corporation shall arrange for an independent evaluation to determine the levels of living allowances paid in all programs under subtitles C and I, individually, by State, and by region. Such evaluation shall determine the effects that such living allowances have had on the ability of individuals to participate in such programs.

[(2) EVALUATION OF SUCCESS OF INVESTMENT IN NATIONAL SERVICE.—

[(A) EVALUATION REQUIRED.—The Corporation shall arrange for the independent evaluation of the operation of subtitle C to determine the levels of participation of economically disadvantaged individuals in national service programs carried out or supported using assistance provided under section 121.

[(B) PERIOD COVERED BY EVALUATION.—The evaluation required by this paragraph shall cover the period beginning on the date the Corporation first makes a grant under section 121, and ending on a date that is as close as is practicable to the date specified in subsection (b)(10).

[(C) INCOME LEVELS OF PARTICIPANTS.—The evaluating entity shall determine the total income of each participant who serves, during the period covered by the evaluation, in a national service program carried out or supported using assistance provided under section 121 or in an approved national service position. The total income of the participant shall be determined as of the date the participant was first selected to participate in such a program and shall include family total income unless the evaluating entity determines that the participant was independent at the time of selection.

[(D) ASSISTANCE FOR DISTRESSED AREAS.—The evaluating entity shall also determine the amount of assistance provided under section 121 during the period covered by the report that has been expended for projects conducted in areas of economic distress described in section 133(c)(6).

[(E) DEFINITIONS.—As used in this paragraph:

[(i) INDEPENDENT.—The term “independent” has the meaning given the term in section 480(d) of the Higher Education Act of 1965 (20 U.S.C. 1087vv(d)).

[(ii) TOTAL INCOME.—The term “total income” has the meaning given the term in section 480(a) of the Higher Education Act of 1965 (20 U.S.C. 1087vv(a)).]

[(g)] (f) RECRUITMENT AND PUBLIC AWARENESS FUNCTIONS.—

(1) \* \* \*

\* \* \* \* \*

**SEC. 195. EMPLOYEES, CONSULTANTS, AND OTHER PERSONNEL.**

(a) \* \* \*

\* \* \* \* \*

(c) CORPORATION REPRESENTATIVE IN EACH STATE.—

(1) \* \* \*

\* \* \* \* \*

(3) **MEMBER** *NON-VOTING MEMBER* OF STATE COMMISSION.—

The representative designated under this subsection for a State or group of States shall also serve as a *non-voting* member of the State Commission established in the State or States, as described in section 178(c)(3).

\* \* \* \* \*

(g) *PERSONAL SERVICES CONTRACTS.*—*The Corporation may enter into personal services contracts to carry out research, evaluation, and public awareness related to the national service laws.*

**SEC. 196. ADMINISTRATION.**

(a) DONATIONS.—

(1) SERVICES.—

**[(A) VOLUNTEERS.**—Notwithstanding section 1342 of title 31, United States Code, the Corporation may solicit and accept the voluntary services of individuals to assist the Corporation in carrying out the duties of the Corporation under the national service laws, and may provide to such individuals the travel expenses described in section 192A(d).]

(A) *ORGANIZATIONS AND INDIVIDUALS.*—*Notwithstanding section 1342 of title 31, United States Code, the Corporation may solicit and accept the services of organizations and individuals (other than participants) to assist the Corporation in carrying out the duties of the Corporation under the national service laws, and may provide to such individuals the travel expenses described in section 192A(d) of this Act (42 U.S.C. 12651b(d)).*

(B) *LIMITATION.*—**[(Such a volunteer]** *An individual who provides services under this subtitle shall not be considered to be a Federal employee and shall not be subject to the provisions of law relating to Federal employment, including those relating to hours of work, rates of compensation, leave, unemployment compensation, and Federal employee benefits, except that—*

(i) for the purposes of the tort claims provisions of chapter 171 of title 28, United States Code, **[(a volunteer]** *an individual who provides services* under this subtitle shall be considered to be a Federal employee;

(ii) for the purposes of subchapter I of chapter 81 of title 5, United States Code, relating to compensation to Federal employees for work injuries, **[(volunteers]** *individuals who provide services* under this subtitle shall be considered to be employees, as defined in section 8101(1)(B) of title 5, United States Code, and the provisions of such subchapter shall apply; and

(iii) for purposes of the provisions of chapter 11 of part I of title 18, United States Code, **[(such a volun-**

teer] *an individual who provides such services* (to whom such provisions would not otherwise apply except for this subsection) shall be a special Government employee.

(C) INHERENTLY GOVERNMENTAL FUNCTION.—

(i) IN GENERAL.—[Such a volunteer] *An individual who provides services to the Corporation* shall not carry out an inherently governmental function.

\* \* \* \* \*

[(3) VOLUNTEER.—As used in this subsection, the term “volunteer” does not include a participant.]

\* \* \* \* \*

## Subtitle H—Investment for Quality and Innovation

### SEC. 198. ADDITIONAL CORPORATION ACTIVITIES TO SUPPORT NATIONAL SERVICE.

(a) \* \* \*

\* \* \* \* \*

(e) [IMPROVE ABILITY TO APPLY FOR ASSISTANCE] *TRAINING AND TECHNICAL ASSISTANCE.*—The Corporation shall provide training and technical assistance, where necessary, to individuals, programs, local labor organizations, State educational agencies, State Commissions, local educational agencies, local governments, community-based agencies, [and other entities to enable them to apply for funding under one of the national service laws, to conduct high-quality programs, to evaluate such programs, and for other purposes.] *and other entities, including those in underserved rural and urban areas, to enable them to apply for funding under one of the national service laws, to conduct high-quality programs, to evaluate such programs, to support efforts to improve the management of nonprofit organizations and community groups, and for other purposes.*

\* \* \* \* \*

(i) PROMOTION AND RECRUITMENT.—The Corporation may [conduct a campaign to] solicit funds for the National Service Trust and other programs and activities authorized under the national service laws and [to] *may* promote and recruit participants for programs that receive assistance under the national service laws.

\* \* \* \* \*

[(q) NATIONAL YOUTH SERVICE DAY.—

[(1) DESIGNATION.—April 19, 1994, and April 18, 1995, are each designated as “National Youth Service Day”. The President is authorized and directed to issue a proclamation calling on the people of the United States to observe the day with appropriate ceremonies and activities.

[(2) FEDERAL ACTIVITIES.—In order to observe National Youth Service Day at the Federal level, the Corporation may organize and carry out appropriate ceremonies and activities.

[(3) ACTIVITIES.—The Corporation may make grants to public or private nonprofit organizations with demonstrated ability to carry out appropriate activities, in order to support such activities on National Youth Service Day.]

[(r)] (q) [ASSISTANCE FOR HEAD START] AGREEMENTS WITH FOSTER GRANDPARENT PROGRAMS.—The Corporation may make grants to, and enter into contracts and cooperative agreements with, public or nonprofit private agencies and organizations that receive grants or contracts under the Foster Grandparent Program (part B of title II of the Domestic Volunteer Service Act of 1973 (29 U.S.C. 5011 et seq.)), for projects of the type described in section 211(a) of such Act (29 U.S.C. 5011) operating under memoranda of agreement with the Corporation, for the purpose of increasing the number of low-income individuals who provide services under such program to children who participate in Head Start programs under the Head Start Act (42 U.S.C. 9831 et seq.).

[(s)] (r) MARTIN LUTHER KING, JR., SERVICE DAY.—

(1) \* \* \*

\* \* \* \* \*

(s) CHIEF EXECUTIVE OFFICER DISCRETIONARY GRANTS.—

(1) AUTHORITY.—*The Chief Executive Officer is authorized to make grants, consistent with policies and procedures established by the Board of Directors, including grants made on the basis of an unsolicited application, to any entity eligible for assistance under the national service laws to support greater engagement of citizens in service and volunteerism.*

(2) MATCHING FUNDS.—*The Chief Executive Officer shall require recipients of grants under this subsection to provide matching funds from non-Federal sources.*

(3) REPORT.—*The Chief Executive Officer shall report to Congress on an annual basis on any grants made under this subsection.*

(t) VOLUNTEER SERVICE TECHNOLOGY PROGRAM.—*The Corporation may provide grants for Volunteer Service Technology Programs to assist Internet volunteer recruiting entities to locate, promote, and match volunteers with local service and volunteer organizations. The Chief Executive Officer shall require recipients of grants under this subsection to provide matching funds from non-Federal sources.*

\* \* \* \* \*

#### [SEC. 198D. SPECIAL DEMONSTRATION PROJECT.

[(a) SPECIAL DEMONSTRATION PROJECT FOR THE YUKON-KUSKOKWIM DELTA OF ALASKA.—The President may award grants to, and enter into contracts with, organizations to carry out programs that address significant human needs in the Yukon-Kuskokwim delta region of Alaska.

[(b) APPLICATION.—

[(1) GENERAL REQUIREMENTS.—To be eligible to receive a grant or enter into a contract under subsection (a) with respect to a program, an organization shall submit an application to the President at such time, in such manner, and containing such information as the President may require.

[(2) CONTENTS.—The application submitted by the organization shall, at a minimum—

[(A) include information describing the manner in which the program will utilize VISTA volunteers, individuals who have served in the Peace Corps, and other qualified persons, in partnership with the local nonprofit organizations known as the Yukon-Kuskokwim Health Corporation and the Alaska Village Council Presidents;

[(B) take into consideration—

[(i) the primarily noncash economy of the region; and

[(ii) the needs and desires of residents of the local communities in the region; and

[(C) include specific strategies, developed in cooperation with the Yupi'k speaking population that resides in such communities, for comprehensive and intensive community development for communities in the Yukon-Kuskokwim delta region.]]

\* \* \* \* \*

## ***Subtitle J—Senior Service Scholarships***

### **SEC. 199N. AUTHORITY TO PROVIDE ASSISTANCE AND SENIOR SERVICE SCHOLARSHIPS.**

(a) *PROVISION OF ASSISTANCE.*—Subject to the availability of appropriations for this purpose, the Corporation may make grants to eligible entities under subsection (b) for the purpose of assisting the recipients of the grants in carrying out or sponsoring mentoring, tutoring, and other programs described in section 199P.

(b) *ELIGIBLE APPLICANTS.*—States, Indian tribes, other public agencies, and nonprofit organizations are eligible to apply for grants under this subtitle.

(c) *PROVISION OF SENIOR SERVICE SCHOLARSHIPS.*—The Corporation may approve the provision of senior service scholarships described in section 199T for volunteers who meet the requirements in section 199S by serving—

(1) in programs supported by assistance under subsection (a); or

(2) in other programs consistent with the provisions of section 199P, as determined by the Corporation in consultation with a State or other recipient.

### **SEC. 199O. PROGRAMS ELIGIBLE FOR ASSISTANCE.**

(a) *TUTORING AND MENTORING ACTIVITIES.*—Grants provided under this subtitle may support the service of seniors in mentoring and tutoring, either directly or indirectly (through activities such as family literacy programs), individuals up to 17 years of age. Tutoring programs in reading for children pre-K through grade 6 supported under this subtitle must be research-based.

(b) *OTHER ACTIVITIES.*—Grants provided under this subtitle may also support the service of seniors to meet a wide variety of community needs, as set forth in the purposes of this Act.

### **SEC. 199P. GRANTS.**

(a) *AMOUNT.*—After approving an application under this subtitle, the Corporation may provide up to \$600 per senior volunteer supported under this subtitle.

(b) *GRANT PERIOD.*—Grants provided under this subtitle may cover a period of not more than 3 years, but may be renewed by the Corporation for successive periods.

(c) *USE OF FUNDS.*—Grants provided under this subtitle may be used to pay reasonable costs attributable to the development or operation of volunteer programs, consistent with the application approved by the Corporation, including—

- (1) reimbursing direct volunteer costs, such as transportation, meals, and other items incidental to performing service;
- (2) recruitment and training of volunteers;
- (3) insurance; and
- (4) management of volunteers.

(d) *RESTRICTION.*—A senior volunteer supported under this subtitle may not receive an amount greater than the amounts for allowances, stipends, and other support to senior volunteers as determined by the Corporation under title II of the Domestic Volunteer Service Act of 1973 (42 U.S.C. 5000 et seq.).

**SEC. 199Q. FUNDS FOR SENIOR SERVICE SCHOLARSHIPS.**

(a) *IN GENERAL.*—Funds for senior service scholarships may include—

- (1) appropriations authorized under section 501(a);
- (2) gifts specifically intended for senior service scholarships received by the Corporation under section 196(a)(2); and
- (3) interest that accrues on the funds received by the Corporation under paragraphs (1) and (2).

(b) *NATIONAL SERVICE TRUST.*—Funds received by the Corporation under subsection (a) shall be deposited into the National Service Trust established under section 145(a).

(c) *INVESTMENT OF FUNDS.*—The Corporation shall ensure that funds for senior service scholarships are invested in accordance with section 145(b).

(d) *TREATMENT OF FUNDS.*—The Corporation shall—

- (1) use funds received under subsection (a) only for senior service scholarships; and
- (2) account for funds received under subsection (a) separately from other funds in the National Service Trust.

(e) *EXPENDITURES FROM NATIONAL SERVICE TRUST.*—Funds received under subsection (a) shall be available to provide a senior service scholarship to a senior volunteer eligible under section 199S in an amount as provided in section 199T.

(f) *DISBURSEMENT.*—Within 30 days of receiving a request from the recipient that meets requirements to be set by the Corporation, the Corporation shall disburse the senior service scholarship to the recipient as authorized under subtitle D.

**SEC. 199R. ELIGIBILITY TO RECEIVE A SENIOR SERVICE SCHOLARSHIP.**

To be eligible to receive a senior service scholarship, an individual must—

- (1) successfully complete 500 hours of service in not more than 1 year in a mentoring, tutoring, or other program approved by the Corporation; and
- (2) be 55 years of age or older at the time the individual begins the period of 500 hours of service.



**SEC. 199S. AMOUNT OF SENIOR SERVICE SCHOLARSHIP.**

(a) *IN GENERAL.*—The amount of a senior service scholarship for 500 hours of service is \$1,000.

(b) *PRORATED AMOUNT.*—If an individual serves at least 250 hours but is unable to complete 500 hours in a 1-year period for compelling personal circumstances as determined by the recipient organization, the amount of the senior service scholarship shall be proportional to the number of hours actually served.

## ***Subtitle K—America’s Promise: The Alliance for Youth***

**SEC. 199AA. AUTHORITY TO PROVIDE ASSISTANCE.**

*Subject to the availability of appropriations for this purpose, the Corporation may make grants to America’s Promise: The Alliance for Youth to support its activities relating to mobilizing communities to ensure that young people become productive, responsible adults.*

**SEC. 199BB. ALLOWABLE COSTS.**

*Grant funds may be used to pay costs attributable to the development or operation of programs consistent with a grant award approved by the Corporation under section 199AA.*

**SEC. 199CC. CORPORATION’S CHIEF EXECUTIVE OFFICER AS EX OFFICIO MEMBER OF BOARD OF DIRECTORS.**

*The Corporation’s Chief Executive Officer may serve as an ex officio nonvoting member of the Board of Directors of America’s Promise: The Alliance for Youth.*

\* \* \* \* \*

## **TITLE III—POINTS OF LIGHT FOUNDATION**

\* \* \* \* \*

**[SEC. 302. FINDINGS AND PURPOSES.**

**[(a) FINDINGS.**—Congress finds that—

**[(1)** community service and service to others is an integral part of American tradition;

**[(2)** existing volunteers and volunteer programs should be praised for their efforts in helping and serving others;

**[(3)** the definition of a successful life includes service to others;

**[(4)** individuals should be encouraged to volunteer their time and energies in community service efforts;

**[(5)** if asked to volunteer or participate in community service, most Americans will do so;

**[(6)** institutions should be encouraged to volunteer their resources and energies and should encourage volunteer and community service among their members, employees, affiliates; and

**[(7)** volunteer and community service programs are intended to complement and not replace governmental responsibilities.

**[(b) PURPOSE.**—It is the purpose of this title—

【(1) to encourage every American and every American institution to help solve our most critical social problems by volunteering their time, energies and services through community service projects and initiatives;

【(2) to identify successful and promising community service projects and initiatives, and to disseminate information concerning such projects and initiatives to other communities in order to promote their adoption nationwide; and

【(3) to discover and encourage new leaders and develop individuals and institutions that serve as strong examples of a commitment to serving others and to convince all Americans that a successful life includes serving others.】

**SEC. 302. PURPOSE.**

*It is the purpose of this title—*

*(1) to encourage every individual and every institution in the Nation to help solve critical social problems by volunteering time, energies, and services through community and volunteer service projects and initiatives;*

*(2) to identify successful and promising community and volunteer service projects and initiatives, and to disseminate information, training, and technical assistance concerning such projects and initiatives to other communities in order to promote and sustain their adoption nationwide;*

*(3) to discover and encourage new leaders and develop individuals and institutions that serve as strong examples of a commitment to serving others and to convince all people in the United States that a successful life includes serving others;*

*(4) to encourage and facilitate the development of new volunteer centers in designated localities; and*

*(5) to strengthen the aggregate infrastructure of our Nation's volunteer centers in order to maximize recruitment, management, and retention.*

**SEC. 303. AUTHORITY.**

(a) \* \* \*

(b) CORPORATION'S CHIEF EXECUTIVE OFFICER AS EX OFFICIO MEMBER OF BOARD OF DIRECTORS.—*The Corporation's Chief Executive Officer may serve as an ex officio nonvoting member of the Foundation's Board of Directors.*

【(b)】(c) CONSTRUCTION.—Nothing in this Act shall be construed either—

(1) \* \* \*

\* \* \* \* \*

**SEC. 304. GRANTS TO THE FOUNDATION.**

(a) IN GENERAL.—Funds made available pursuant to sections 303 and 501(b) shall be granted to the Foundation by 【a department or agency in the executive branch of the United States Government designated by the President—】 *the Corporation—*

(1) \* \* \*

\* \* \* \* \*

(c) ENDOWMENT.—

(1) IN GENERAL.—*Notwithstanding any other law, of the funds made available each fiscal year under sections 303 and 501(b), up to 25 percent may be used to establish or support an*

*endowment fund, the corpus of which shall remain intact and the interest income from which shall be used to support activities described in this title, provided that the Foundation may invest the corpus and income only in federally insured bank savings accounts or comparable interest-bearing accounts, certificates of deposit, money market funds, mutual funds, obligations of the United States, or other market instruments and securities, but not in real estate investments.*

(2) *END OF OPERATIONS.*—The Chief Executive Officer shall obtain from the Foundation complete and accurate records of Federal funds deposited in an endowment established in accordance with paragraph (1). The corpus of such an endowment shall revert to the Treasury if the Chief Executive Officer determines that—

(A) *the Foundation has ceased operations; or*

(B) *the Foundation is no longer capable of carrying out the activities described in section 302.*

(d) *GRANTS TO SUPPORT COMMUNITY-BASED VOLUNTEER CENTERS.*—From funds made available under section 303 and 501(b), the Foundation may make grants to—

(1) *community-based organizations for the purpose of facilitating the development of volunteer centers; and*

(2) *community-based volunteer centers to support their ability to recruit, manage, and retain volunteers.*

\* \* \* \* \*

## TITLE V—AUTHORIZATION OF APPROPRIATIONS

### SEC. 501. AUTHORIZATION OF APPROPRIATIONS.

#### [(a) TITLE I.—

##### [(1) SUBTITLE B.—

[(A) IN GENERAL.—There are authorized to be appropriated to provide financial assistance under subtitle B of title I, \$45,000,000 for fiscal year 1994 and such sums as may be necessary for each of the fiscal years 1995 through 1996.

[(B) PROGRAMS.—Of the amount appropriated under subparagraph (A) for a fiscal year—

[(i) not more than 63.75 percent shall be available to provide financial assistance under subpart A of part I of subtitle B of title I;

[(ii) not more than 11.25 percent shall be available to provide financial assistance under subpart B of part I of such subtitle; and

[(iii) not more than 25 percent shall be available to provide financial assistance under part II of such subtitle.

##### [(2) SUBTITLES C, D, AND H.—

[(A) IN GENERAL.—There are authorized to be appropriated to provide financial assistance under subtitles C and H of title I, to provide national service educational awards under subtitle D of title I, and to carry out such

audits and evaluations as the Chief Executive Officer or the Inspector General of the Corporation may determine to be necessary, \$300,000,000 for fiscal year 1994, \$500,000,000 for fiscal year 1995, and \$700,000,000 for fiscal year 1996.

[(B) PROGRAMS.—Of the amount appropriated under subparagraph (A) for a fiscal year, up to 15 percent shall be made available to provide financial assistance under section 125, under subsections (b) and (c) of section 126, and under subtitle H of title I.

[(3) SUBTITLE E.—There are authorized to be appropriated to provide financial assistance under subtitle E of title I, such sums as may be necessary for each of the fiscal years 1995 through 1996.

[(4) ADMINISTRATION.—

[(A) IN GENERAL.—There are authorized to be appropriated for the administration of this Act \$40,000,000 for fiscal year 1994, \$60,000,000 for fiscal year 1995, and \$70,000,000 for fiscal year 1996.

[(B) CORPORATION.—Of the amounts appropriated under subparagraph (A) for a fiscal year—

[(i) up to 60 percent shall be made available to the Corporation for the administration of this Act; and

[(ii) the remainder shall be available to provide financial assistance under section 126(a).

[(b) TITLE III.—There are authorized to be appropriated to carry out title III \$5,000,000 for each of the fiscal years 1994 through 1996.

[(c) AVAILABILITY OF APPROPRIATIONS.—Funds appropriated under this section shall remain available until expended.

[(d) SPECIFICATION OF BUDGET FUNCTION.—The authorizations of appropriations contained in this section shall be considered to be a component of budget function 500 as used by the Office of Management and Budget to cover education, training, employment, and social services, and, as such, shall be considered to be related to the programs of the Departments of Labor, Health and Human Services, and Education for budgetary purposes.]

#### **SEC. 501. AUTHORIZATION OF APPROPRIATIONS.**

(a) TITLE I.—

(1) SUBTITLE B.—

(A) IN GENERAL.—*There are authorized to be appropriated to provide financial assistance under subtitle B of title I, \$55,000,000 for fiscal year 2003, \$58,000,000 for fiscal year 2004, \$61,000,000 for fiscal year 2005, \$65,000,000 for fiscal year 2006, and such sums as may be necessary for fiscal year 2007.*

(B) PROGRAMS.—*Of the amount appropriated under subparagraph (A) for a fiscal year—*

*(i) not more than 50 percent shall be available to provide financial assistance under part I of subtitle B of title I;*

*(ii) not more than 25 percent shall be available to provide financial assistance under part II of such subtitle; and*

(iii) not less than 25 percent shall be available to provide financial assistance under part III of such subtitle.

(2) *SUBTITLES C, D, AND H.*—

(A) *IN GENERAL.*—There are authorized to be appropriated to provide financial assistance under subtitles C and H of title I, to administer the National Service Trust and disburse national service educational awards and scholarships under subtitle D of title I, and to carry out such audits and evaluations as the Chief Executive Officer or the Inspector General of the Corporation may determine to be necessary, \$415,000,000 for fiscal year 2003, and such sums as may be necessary for fiscal years 2004 through 2007.

(B) *PROGRAMS.*—Of the amount appropriated under subparagraph (A) for a fiscal year, up to 15 percent shall be made available to provide financial assistance under section 125, under subsections (b) and (c) of section 126, and under subtitle H of title I.

(C) *SUBTITLE C.*—Of the amount appropriated under subparagraph (A) for fiscal year 2003, not more than \$315,000,000 shall be made available to provide financial assistance under section 121 of subtitle C of title I.

(3) *SUBTITLE E.*—There are authorized to be appropriated to operate the Civilian Community Corps and provide financial assistance under subtitle E of title I, \$30,000,000 for fiscal year 2003 and such sums as may be necessary for each of the fiscal years 2004 through 2007.

(4) *SUBTITLE J (SENIOR SERVICE SCHOLARSHIPS PROGRAM).*—There are authorized to be appropriated to provide financial assistance under subtitle J of title I \$12,000,000 for fiscal year 2003 and such sums as may be necessary for each of fiscal years 2004 through 2007.

(5) *SUBTITLE K (AMERICA'S PROMISE).*—There are authorized to be appropriated to provide financial assistance under subtitle K of title I \$7,500,000 for fiscal year 2003 and such sums as may be necessary for each of fiscal years 2004 through 2007.

(6) *ADMINISTRATION.*—

(A) *IN GENERAL.*—There are authorized to be appropriated for the administration of this Act, including financial assistance under section 126(a), \$34,000,000 for fiscal year 2003 and such sums as may be necessary for each of fiscal years 2004 through 2007.

(B) *CORPORATION.*—Of the amounts appropriated under subparagraph (A) for a fiscal year—

- (i) up to 60 percent shall be made available to the Corporation for the administration of this Act; and
- (ii) the remainder shall be available to provide financial assistance under section 126(a).

(b) *TITLE III.*—There are authorized to be appropriated to carry out title III \$10,000,000 for fiscal year 2003 and such sums as may be necessary for each of fiscal years 2004 through 2007.

(c) *AVAILABILITY OF APPROPRIATIONS.—Funds appropriated under this section shall remain available until expended.*

\* \* \* \* \*

## DOMESTIC VOLUNTEER SERVICE ACT OF 1973

### SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) **SHORT TITLE.**—This Act may be cited as the “Domestic Volunteer Service Act of 1973”.

[(b) **TABLE OF CONTENTS.**—The table of contents is as follows:

[Sec. 1. Short title; table of contents.

[Sec. 2. Volunteerism policy.

### [TITLE I—NATIONAL VOLUNTEER ANTIPOVERTY PROGRAMS

#### [PART A—VOLUNTEERS IN SERVICE TO AMERICA

[Sec. 101. Statement of purpose.

[Sec. 102. Authority to operate VISTA program.

[Sec. 103. Selection and assignment of volunteers.

[Sec. 104. Terms and periods of service.

[Sec. 105. Support service.

[Sec. 106. Participation of beneficiaries.

[Sec. 107. Participation of younger and older persons.

[Sec. 108. Limitation.

[Sec. 109. VISTA Literacy Corps.

[Sec. 110. Applications for assistance.

#### [PART B—UNIVERSITY YEAR FOR VISTA

[Sec. 111. Statement of purpose.

[Sec. 112. Authority to operate University Year for VISTA program.

[Sec. 113. Special conditions.

#### [PART C—SPECIAL VOLUNTEER PROGRAMS

[Sec. 121. Statement of purpose.

[Sec. 122. Authority to establish and operate special volunteer and demonstration programs.

[Sec. 123. Technical and financial assistance.

[Sec. 124. Literacy challenge grants.

### [TITLE II—NATIONAL SENIOR VOLUNTEER CORPS

[Sec. 200. Statement of purposes.

#### [PART A—RETIRED AND SENIOR VOLUNTEER PROGRAM

[Sec. 201. Grants and contracts for volunteer service projects.

#### [PART B—FOSTER GRANDPARENT PROGRAM

[Sec. 211. Grants and contracts for volunteer service projects.

#### [PART C—SENIOR COMPANION PROGRAM

[Sec. 213. Grants and contracts for volunteer service projects.

#### [PART D—GENERAL PROVISIONS

[Sec. 221. Promotion of National Senior Volunteer Corps.

[Sec. 222. Payments.

[Sec. 223. Minority group participation.

[Sec. 224. Use of locally generated contributions in National Senior Volunteer Corps.

[Sec. 225. Programs of national significance.

[Sec. 226. Adjustments to Federal financial assistance.

[Sec. 227. Multiyear grants or contracts.

#### [PART E—DEMONSTRATION PROGRAMS

[Sec. 231. Authority of Director.

#### 【TITLE IV—ADMINISTRATION AND COORDINATION

- 【Sec. 403. Political activities.
- 【Sec. 404. Special limitations.
- 【Sec. 406. Labor standards.
- 【Sec. 408. Joint funding.
- 【Sec. 409. Prohibition of Federal control.
- 【Sec. 410. Coordination with other programs.
- 【Sec. 411. Prohibition.
- 【Sec. 412. Notice and hearing procedures for suspension and termination of financial assistance.
- 【Sec. 414. Distribution of benefits between rural and urban areas.
- 【Sec. 415. Application of Federal law.
- 【Sec. 416. Evaluation.
- 【Sec. 417. Nondiscrimination provisions.
- 【Sec. 418. Eligibility for other benefits.
- 【Sec. 419. Legal expenses.
- 【Sec. 421. Definitions.
- 【Sec. 422. Audit.
- 【Sec. 423. Reduction of paperwork.
- 【Sec. 424. Review of project renewals.
- 【Sec. 425. Protection against improper use.
- 【Sec. 426. Center for Research and Training.

#### 【TITLE V—AUTHORIZATION OF APPROPRIATIONS

- 【Sec. 501. National volunteer antipoverty programs.
- 【Sec. 502. National Senior Volunteer Corps.
- 【Sec. 504. Administration and coordination.
- 【Sec. 505. Availability of appropriations.

#### 【TITLE VI—AMENDMENTS TO OTHER LAWS AND REPEALERS

- 【Sec. 601. Supersedence of Reorganization Plan No. 1 of July 1, 1971.
- 【Sec. 602. Creditable service for civil service retirement.
- 【Sec. 603. Repeal of title VIII of the Economic Opportunity Act.
- 【Sec. 604. Repeal of title VI of the Older Americans Act.】

(b) *TABLE OF CONTENTS.—The table of contents is as follows:*

- Sec. 1. Short title; table of contents.*
- Sec. 2. Volunteerism policy.*

#### *TITLE I—NATIONAL VOLUNTEERS ANTIPOVERTY PROGRAM*

##### *PART A—VOLUNTEERS IN SERVICE TO AMERICA*

- Sec. 101. Statement of purpose.*
- Sec. 102. Authority to operate VISTA program.*
- Sec. 103. Selection and assignment of volunteers.*
- Sec. 104. Terms and periods of service.*
- Sec. 105. Support service.*
- Sec. 106. Participation of beneficiaries.*
- Sec. 107. Participation of younger and older persons.*
- Sec. 108. Limitation.*
- Sec. 110. Applications for assistance.*

##### *PART B—UNIVERSITY YEAR FOR VISTA*

- Sec. 111. Statement of purpose.*
- Sec. 112. Authority to operate University Year for VISTA program.*
- Sec. 113. Special conditions.*

##### *PART C—SPECIAL VOLUNTEERS PROGRAM*

- Sec. 121. Statement of purpose.*
- Sec. 122. Authority to establish and operate special volunteer and demonstration programs.*
- Sec. 123. Technical and financial assistance.*

#### *TITLE II—NATIONAL SENIOR SERVICE CORPS*

- Sec. 200. Statement of purposes.*

##### *PART A—RETIRED AND SENIOR VOLUNTEER PROGRAM*

- Sec. 201. Grants and contracts for volunteer service projects.*

## PART B—FOSTER GRANDPARENT PROGRAM

Sec. 211. *Grants and contracts for volunteer service projects.*

## PART C—SENIOR COMPANION PROGRAM

Sec. 213. *Grants and contracts for volunteer service projects.*

## PART D—GENERAL PROVISIONS

Sec. 221. *Promotion of National Senior Volunteer Corps.*  
 Sec. 222. *Payments.*  
 Sec. 223. *Minority group participation.*  
 Sec. 224. *Use of locally generated contributions in National Senior Volunteer Corps.*  
 Sec. 225. *Programs of national significance.*  
 Sec. 226. *Adjustments to Federal financial assistance.*  
 Sec. 227. *Multiyear grants or contracts..*  
 Sec. 228. *Participation regardless of income level.*  
 Sec. 229. *Continuity of service.*  
 Sec. 229A. *Training and research.*

## PART E—DEMONSTRATION PROGRAMS

Sec. 231. *Authority of Director.*

## TITLE IV—ADMINISTRATION AND COORDINATION

Sec. 403. *Political activities.*  
 Sec. 404. *Special limitations.*  
 Sec. 406. *Labor standards.*  
 Sec. 408. *Joint funding.*  
 Sec. 409. *Prohibition of Federal control.*  
 Sec. 410. *Coordination with other programs.*  
 Sec. 411. *Prohibition.*  
 Sec. 414. *Distribution of benefits between rural and urban areas.*  
 Sec. 415. *Application of Federal law.*  
 Sec. 417. *Nondiscrimination provisions.*  
 Sec. 418. *Eligibility for other benefits.*  
 Sec. 419. *Legal expenses.*  
 Sec. 421. *Definitions.*  
 Sec. 422. *Audit.*  
 Sec. 423. *Reduction of paperwork.*  
 Sec. 424. *Review of project renewals.*  
 Sec. 425. *Protection against improper use.*  
 Sec. 426. *Income verification.*

## TITLE V—AUTHORIZATION OF APPROPRIATIONS

Sec. 501. *National volunteer antipoverty programs.*  
 Sec. 502. *National Senior Service Corps.*  
 Sec. 504. *Administration and coordination.*  
 Sec. 505. *Availability of appropriations.*

## TITLE VI—AMENDMENTS TO OTHER LAWS AND REPEALERS

Sec. 601. *Superseding of Reorganization Plan No. 1 of July 1, 1971.*  
 Sec. 602. *Creditable service for civil service retirement.*  
 Sec. 603. *Repeal of title VIII of the Economic Opportunity Act.*  
 Sec. 604. *Repeal of title VI of the Older Americans Act.*

## VOLUNTEERISM POLICY

SEC. 2. (a) \* \* \*

(b) The purpose of this Act is to foster and expand voluntary citizen service in communities throughout the Nation in activities designed to help the poor, the disadvantaged, the vulnerable, and the elderly. In carrying out this purpose, the Corporation for National and Community Service shall utilize to the fullest extent the programs authorized under this Act, coordinate with other Federal, State, and [local agencies] *local agencies, expand relationships with, and support for, the efforts of civic, community, and edu-*



*cational organizations*, and utilize the energy, innovative spirit, experience, and skills of all Americans.

## TITLE I—NATIONAL VOLUNTEER ANTIPOVERTY PROGRAMS

### PART A—VOLUNTEERS IN SERVICE TO AMERICA

#### STATEMENT OF PURPOSE

SEC. 101. This part provides for the Volunteers in Service to America (VISTA) program of full-time volunteer service, together with appropriate powers and responsibilities designed to assist in the development and coordination of such program. The purpose of this part is to strengthen and supplement efforts to eliminate and alleviate poverty and poverty-related problems in the United States by encouraging and enabling persons from all walks of life, all geographical areas, and all age groups, including low-income individuals, elderly and retired Americans, to perform meaningful and constructive volunteer service in agencies, institutions, and situations where the application of human talent and dedication may assist in the solution of poverty and poverty-related problems and secure and exploit opportunities for self-advancement by persons **[afflicted with]** *affected by* such problems. In addition, the objectives of this part are to generate the commitment of private sector resources, to encourage volunteer service at the **[local level,** and to strengthen local agencies and organizations to carry out the purpose of this part.] *local level, to support efforts by local agencies and organizations to achieve long-term sustainability of projects initiated or expanded under the VISTA program activities, and to strengthen local agencies and community organizations to carry out the purpose of this part, consistent with the provisions of section 187 of the National and Community Service Act of 1990.*

\* \* \* \* \*

#### SELECTION AND ASSIGNMENT OF VOLUNTEERS

SEC. 103. (a) The Director, on the receipt of applications by public or nonprofit private organizations to receive volunteers under this part, may assign volunteers selected under subsection (b) to work in appropriate projects and programs sponsored by such organizations, including work—

(1) \* \* \*

(2) in the care and rehabilitation of mentally ill, developmentally disabled, and other **[handicapped]** *disabled* individuals, especially those with severe **[handicaps]** *disabilities*;

\* \* \* \* \*

(b)(1) The Director shall establish **[recruitment and placement procedures]** *recruitment and placement procedures that involve sponsoring organizations and that offer opportunities for both local and national placement of volunteers for service under this part.*

\* \* \* \* \*

(c)(1) The Director, in conjunction with the **[personnel described in subsection (b)(2)(C)]** *personnel described in subsection (b)(2)(C) and sponsoring organizations*, shall engage in public awareness and recruitment activities. Such activities may include—

(A) \* \* \*

\* \* \* \* \*

(F) publicizing national service educational awards available under the **【National and Community Service Trust Act of 1993】** *National and Community Service Act of 1990*;

\* \* \* \* \*

(3) The Director shall consult with the Director of the Peace Corps to coordinate the recruitment and public awareness activities carried out under **【this subsection】** *this subsection and related public awareness and recruitment activities under the national service laws* with those of the Peace Corps and to develop joint procedures and activities for the recruitment of volunteers to serve under this part.

\* \* \* \* \*

(g) Volunteers under this part shall not be assigned to work in a program or project in any community unless the application for such program or project contains evidence of local support **【and has been submitted to the Governor or other chief executive officer of the State concerned, and such Governor or other chief executive officer has not, within 45 days of the date of such submission, notified the Director in writing, supported by a statement of reasons, that such Governor or other chief executive officer disapproves such program or project. In the event of a timely request in writing, supported by a statement of reasons, by the Governor or other chief executive officer of the State concerned, the Director shall terminate a program or project or the assignment of a volunteer to a program or project not later than 30 days after the date such request is received by the Director, or at such later date as is agreed upon by the Director and such Governor or other chief executive officer.】**

\* \* \* \* \*

(i) *The Director may enter into agreements under which public and private nonprofit organizations with sufficient financial capacity and size pay for all or a portion of the costs of supporting the service of volunteers under this title, consistent with the provisions of section 187 of the National and Community Service Act of 1990.*

#### TERMS AND PERIODS OF SERVICE

SEC. 104. **【(a) Volunteers serving under this part shall be required to make a full-time personal commitment to combating poverty and poverty-related problems. To the maximum extent practicable, the requirement for full-time commitment shall include a commitment to live among and at the economic level of the people served, and to remain available for service without regard to regular working hours, at all times during their periods of service, except for authorized periods of leave.】**

*(a)(1) Except as provided in paragraphs (2) through (4), volunteers serving under this part shall be required to make a full-time personal commitment to combating poverty and poverty-related problems. To the maximum extent practicable, the requirement for full-time commitment shall include a commitment to live among and at the economic level of the people served, and to remain available for service without regard to regular working hours, at all*

*times during their periods of service, except for authorized periods of leave.*

*(2) The requirements in paragraph (1) shall not apply to up to 25 percent of volunteers enrolled in fiscal year 2003 and up to 50 percent of volunteers enrolled in fiscal year 2004.*

*(3) Not later than September 30, 2004, the General Accounting Office shall submit a report to Congress on whether the changes provided in paragraph (2) have had a material and adverse effect on the ability of the VISTA program to combat poverty and poverty-related problems, such as increased attrition rates among volunteers and difficulties in recruiting volunteers.*

*(4) Unless the report described in paragraph (3) concludes that the changes provided in paragraph (2) have caused a material and adverse effect on the ability of the VISTA program to combat poverty and poverty-related problems, the requirements in paragraph (1) shall not apply to up to 75 percent of volunteers enrolled in fiscal year 2005 and up to 100 percent of volunteers enrolled in fiscal year 2006 and thereafter.*

*(b)(1) \* \* \**

*(2) Volunteers serving under this part may be enrolled for periods of service of less than 1 year [if the Director determines, on an individual basis, that a period of service of less than 1 year is necessary to meet a critical scarce skill need.] if they are enrolled in a term of service of at least 1,700 hours for which the requirements of subsection (a)(1) do not apply.*

*\* \* \* \* \**

*(d) The Director shall establish a procedure, including notice and opportunity to be heard, for volunteers under this part to present and obtain resolution of grievances and to present their views in connection [with the terms and conditions of their service.] with the terms and conditions of their service or any adverse action, including termination, proposed by the sponsoring organization. The procedure shall provide for an appeal to the Director of any proposed termination. The Director shall promptly provide to each volunteer in service on the date of enactment of this Act, and to each such volunteer beginning service thereafter, information regarding such procedure [and the terms and conditions of their service].*

*\* \* \* \* \**

#### **[VISTA LITERACY CORPS]**

**[SEC. 109. (a)** As part of the Volunteers in Service to America program established under this part, the Director shall establish a VISTA Literacy Corps for the purpose of developing, strengthening, supplementing, and expanding efforts of both public and nonprofit organizations at the local, State, and Federal level to mobilize local, State, Federal, and private sector financial and volunteer resources to address the problem of illiteracy throughout the United States.

**[(b)]** The Director shall assign volunteers to projects and programs that meet the antipoverty criteria of part A that provide assistance to functionally illiterate and illiterate individuals who are unserved or underserved by literacy education programs, with special emphasis upon disadvantaged individuals having the highest risk of illiteracy, and individuals with the lowest reading and educational level of competence.

[(c)(1) The Director shall assign volunteers under this subsection to projects and programs that utilize volunteers to address the needs of illiterate individuals.

[(2) Programs and projects under this subsection may be administered by public or private nonprofit agencies and organizations including local, State, and national literacy councils and organizations; community-based nonprofit organizations; local and State education agencies; local and State agencies administering adult basic education programs; educational institutions; libraries; anti-poverty organizations; local, municipal, and State governmental entities, and eligible providers of employment and training activities under subtitle B of title I of the Workforce Investment Act of 1998.

[(3) In the assignment of volunteers under this subsection the Director shall give priority consideration to—

[(A) programs and projects that assist illiterate individuals in greatest need of assistance residing in unserved or underserved areas with the highest concentrations of illiteracy and of low income individuals and families;

[(B) projects and programs serving individuals reading at the zero to fourth grade levels;

[(C) projects and programs focusing on providing literacy services to high risk populations;

[(D) projects and programs operating in areas with the highest concentration of individuals and families living at or below the poverty level;

[(E) projects and programs providing literacy services to parents of disadvantaged children between the ages of two and eight, who may be educationally at risk; and

[(F) Statewide programs and projects that encourage the creation of new literacy efforts, encourage the coordination of intrastate literacy efforts and provide technical assistance to local literacy efforts.

[(d)(1) The Director shall assign volunteers under this subsection to projects and programs that primarily utilize volunteers to tutor illiterate individuals.

[(2) Programs and projects under this subsection may be administered by local public or private nonprofit agencies and organizations including local literacy councils and organizations, community-based nonprofit organizations, local educational agencies, local agencies administering adult basic education programs, local educational institutions, libraries, antipoverty organizations, local and municipal governmental entities, and eligible providers of employment and training activities under subtitle B of title I of the Workforce Investment Act of 1998.

[(3) In the assignment of volunteers under this subsection the Director shall give priority consideration to local programs and projects that assist illiterate individuals in greatest need of assistance residing in unserved or underserved areas with the highest concentrations of illiteracy and of low income individuals and families.

[(e) The Director shall ensure an equitable distribution of volunteers under this section in accordance with the equitable distribution requirement of section 414 of this Act.

[(f) The VISTA Literacy Corps shall consist of all volunteers serving under part A working on literacy projects and programs.

[(g) In any fiscal year in which the services provided under part A are reduced, the services provided under this section shall be proportionately reduced.

[(h)(1) Subject to paragraph (2), with respect to any individual providing volunteer services in the program under this section regarding literacy, the Director may, with the written consent of the individual, assign the individual to serve in the general program under this part regarding literacy.

[(2) To the extent practicable and without undue delay, the Director shall ensure that a volunteer under this section is assigned to the vacancy created within the relevant literacy project or program established under this section.]

\* \* \* \* \*

## PART B—UNIVERSITY YEAR FOR VISTA

### STATEMENT OF PURPOSE

SEC. 111. (a) \* \* \*

(b) This part provides for the University Year for VISTA (UYV) program of full-time volunteer service by students enrolled in institutions of higher education. The purpose of the UYV program is to strengthen and supplement efforts to eliminate poverty and poverty-related human, social, and environmental problems by enabling students at cooperating institutions to perform meaningful and constructive volunteer service in connection with the satisfaction of course-work while attending such institutions. Volunteer service under this part is conducted in [agencies, institutions, and situations] *agencies and institutions, including civic, community, and educational organizations*, where the application of human talent and dedication may assist in the solution of poverty and poverty-related problems and secure and exploit opportunities for self-advancement by individuals experiencing such problems.

\* \* \* \* \*

## PART C—SPECIAL VOLUNTEER PROGRAMS

### STATEMENT OF PURPOSE

SEC. 121. This part provides for special emphasis and demonstration volunteer programs, together with appropriate powers and responsibilities designed to assist in the development and coordination of such programs. The purpose of this part is to strengthen and supplement efforts to meet a broad range of needs, particularly those related to poverty, by encouraging and enabling persons from all walks of life and from all age groups to perform meaningful and constructive volunteer service in [agencies, institutions, and situations] *agencies and institutions, including civic, community, and educational organizations* where the application of human talent and dedication may help to meet such needs. It is the further purpose of this part to provide technical and financial assistance to encourage voluntary organizations and volunteer efforts at the national, State, and local level.

\* \* \* \* \*

【LITERACY CHALLENGE GRANTS】

【SEC. 124. (a) The Director is authorized to award challenge grants to eligible public agencies and private organizations to pay the Federal share of the costs of establishing, operating or expanding community or employee literacy programs or projects that include the use of full-time or part-time volunteers as one method of addressing illiteracy.

【(b) Each eligible organization desiring a grant under this section shall submit to the Corporation an application in such form and accompanied by such information as the Director may reasonably require. Each such application shall—

【(1) describe the activities for which assistance is sought,

【(2) contain assurances that the eligible organization will provide from non-Federal sources the non-Federal share of the cost of the program or project,

【(3) provide assurances, satisfactory to the Director, that the literacy project will be operated in cooperation with other public and private agencies and organizations interested in, and qualified to, combat illiteracy in the community where the project is to be conducted, and

【(4) contain such other information and assurances as the Director may reasonably require.

【(c)(1)(A) The Federal share of the cost of a program or project authorized by this section administered by a public agency, a non-profit organization other than an organization described in paragraph (2), or a private, for-profit organization shall not exceed—

【(i) 80 percent in the first fiscal year;

【(ii) 70 percent in the second fiscal year; and

【(iii) 60 percent in the third fiscal year.

【(B) The non-Federal share paid by a private, for-profit organization shall be in cash.

【(2) The Federal share of the cost of a program or project administered by a nonprofit or community-based organization shall not exceed—

【(A) 90 percent in the first fiscal year;

【(B) 80 percent in the second fiscal year; and

【(C) 70 percent in the third fiscal year.

【(3) The non-Federal share provided by a public agency or a nonprofit or community-based organization may be provided in cash, or in kind, fairly evaluated, and may include the use of plant, equipment, and services.】

TITLE II—【NATIONAL SENIOR VOLUNTEER CORPS】  
*NATIONAL SENIOR SERVICE CORPS*

【STATEMENT OF PURPOSES】

【SEC. 200. It is the purpose of—

【(1) this title to provide for National Senior Volunteer Corps, comprised of the Retired and Senior Volunteer Program, the foster grandparent program, and the senior companion program, that empower older individuals to contribute to their communities through volunteer service, enhance the lives of the volunteers and those whom they serve, and provide communities with valuable services;

[(2) part A, the Retired and Senior Volunteer Program, to utilize the vast talents of older individuals willing to share their experiences, abilities, and skills in responding to a wide variety of community needs;

[(3) part B, the foster grandparent program, to afford low-income older individuals an opportunity to provide supportive, individualized services to children with exceptional or special needs; and

[(4) part C, the senior companion program, to afford low-income older individuals the opportunity to provide personal assistance and companionship to other older individuals through volunteer service.]]

**SEC. 200. STATEMENT OF PURPOSE.**

*It is the purpose of this title to provide—*

*(1) opportunities for senior service to meet unmet local, State, and national needs in the areas of education, public safety, health and human needs, and the environment;*

*(2) for the National Senior Service Corps, comprised of the Retired and Senior Volunteer Program, the Foster Grandparent Program, and the Senior Companion Program, and demonstration and other programs to empower older individuals to contribute to their communities through service, enhance the lives of those who serve and those whom they serve, and provide communities with valuable services;*

*(3) opportunities for people 55 years of age or older, through the Retired and Senior Volunteer Program, to share their experiences, abilities, and skills for the betterment of their communities and themselves;*

*(4) opportunities for people 55 years of age or older, through the Foster Grandparents Program, to have a positive impact on the lives of children in need;*

*(5) opportunities for people 55 years of age or older, through the Senior Companion Program, to provide critical support services and companionship to adults at risk of institutionalization and who are struggling to maintain a dignified independent life; and*

*(6) for research, training, demonstration, and other program activities to increase and improve opportunities for seniors to meet unmet needs, including those related to emergency preparedness, public safety, public health, and disaster relief, in their communities.*

**PART A—RETIRED AND SENIOR VOLUNTEER PROGRAM**

**GRANTS AND CONTRACTS FOR VOLUNTEER SERVICE PROJECTS**

SEC. 201. (a) In order to help retired individuals and working older individuals to [avail themselves of opportunities for volunteer service in their community] *share their experiences, abilities, and skills for the betterment of their communities and themselves*, the Director is authorized to make grants to State agencies (established or designated pursuant to section 305(a)(1) of the Older Americans Act of 1965, as amended (42 U.S.C. 3025(a)(1))) or grants to or contracts with other public and nonprofit private agencies and organizations to pay part or all of the costs for the devel-

opment or operation, or both, of volunteer service projects under this section, if the Director determines, in accordance with regulations the Director shall prescribe, that—

(1) \* \* \*

(2) only individuals 55 years of age or older will be enrolled[, and individuals 60 years of age or older will be given priority for enrollment,] as volunteers to provide services under this part (except for administrative purposes), and such services will be performed in the community where such individuals reside or in nearby communities either (A) on publicly owned and operated facilities or projects, or (B) on local projects sponsored by private nonprofit organizations (other than political parties), other than projects involving the construction, operation, or maintenance of so much of any facility used or to be used for sectarian instruction or as a place for religious worship;

\* \* \* \* \*

[(c) The Director shall not award any grant or contract under this part for a project in any State to any agency or organization unless, if such State has a State agency established or designated pursuant to section 305(a)(1) of the Older Americans Act of 1965, as amended (42 U.S.C. 3025(a)(1)), such agency itself is the recipient of the award or such agency has been afforded at least forty-five days in which to review the project application and make recommendations thereon.]

[(d)] (c) Notwithstanding any other provision of law, volunteer service under this part shall not be deemed employment for any purpose which the Director finds is not fully consistent with the provisions and in furtherance of the purpose of this part.

## PART B—FOSTER GRANDPARENT PROGRAM

### GRANTS AND CONTRACTS FOR VOLUNTEER SERVICE PROJECTS

SEC. 211. (a) The Director is authorized to make grants to or contracts with public and nonprofit private agencies and organizations to pay part or all of the cost of development and operation of projects (including direct payments to individuals serving under this part) designed for the purpose of providing opportunities for [low-income persons aged sixty or over] *low-income and other persons aged 55 or over* to provide supportive person-to-person services in health, education, welfare, and related settings to children having exceptional needs. Such services may include services by individuals serving as foster grandparents to children who are individuals with disabilities, who have chronic health conditions, who are receiving care in hospitals, who are residing in homes for dependent and neglected children, or who are receiving services provided by day care centers, schools, early intervention programs under part H of the Individuals with Disabilities Education Act (20 U.S.C. 1471 et seq.), Head Start agencies under the Head Start Act, or any of a variety of other programs, establishments, and institutions providing services for children with special or exceptional needs. Individual foster grandparents may provide person-to-person services to one or more children, depending on the needs of the project and local site. The Director may approve assistance in excess of 90 per centum of the costs of the development and operation of such



projects only if the Director determines, in accordance with regulations the Director shall prescribe establishing objective criteria, that such action is required in furtherance of the purpose of this section. Provision for such assistance shall be effective as of September 19, 1972. In the case of any project with respect to which, prior to such date, a grant or contract has been made under section 611(a) of the Older Americans Act of 1965, as amended (42 U.S.C. 3044(b) or with respect to any project under the Foster Grandparent program in effect prior to September 17, 1969, contributions in cash or in kind from the Bureau of Indian Affairs, Department of the Interior, toward the cost of the project may be counted as part of the cost thereof which is met from non-Federal sources.

(b)(1) Any public or private nonprofit agency or organization responsible for providing person-to-person services to a child in a project carried out under subsection (a) of this section [shall have the exclusive authority to determine, pursuant to the provisions of paragraph (2) of this subsection—] *may determine—*

(A) which children may receive supportive person-to-person services under such project; [and]

(B) the period of time during which such services shall be continued in the case of each individual child[.]; and

(C) *whether it is in the best interests of a child receiving, and of a particular foster grandparent providing, services in such a project, to continue such relationship after the child reaches the age of 21, if such child was receiving such services prior to attaining the age of 21.*

[(2) In the event that such an agency or organization determines that it is in the best interests of a mentally retarded child receiving, and of a particular foster grandparent providing, services in such a project, such relationship may be continued after the child reaches the chronological age of 21: *Provided*, That such child was receiving such services prior to attaining the chronological age of 21. If the particular foster grandparent subject to the determination under this paragraph becomes unavailable to serve after such determination is made, the agency or organization may select another foster grandparent.]

[(3)] (2) Any determination made by a public or nonprofit private agency or organization under [paragraphs (1) and (2)] *paragraph (1)* of this subsection shall be made through mutual agreement by all parties involved with respect to the provision of services to the child involved.

(3) *If an assignment of a foster grandparent is suspended or discontinued, the replacement of that foster grandparent shall be determined through the mutual agreement of all parties involved in the provision of services to the child.*

(d) The Director, in accordance with regulations the Director shall prescribe, may provide to [low-income persons serving as volunteers under this part, such allowances, stipends, and other support] *low-income persons and persons eligible under subsection (h) serving as volunteers under this part, such allowances or stipends* as the Director determines are necessary to carry out the purpose of this part. [Any stipend or allowance provided under this section shall not be less than \$2.45 per hour on and after October 1, 1993, and shall be adjusted once prior to December 31, 1997, to account for inflation, as determined by the Director and rounded to the

nearest five cents, except that (1) such stipend or allowance shall not be increased as a result of an amendment made to this sentence unless the funds appropriated for carrying out this part are sufficient to maintain for the fiscal year in question a number of participants to serve under this part at least equal to the number of such participants serving during the preceding fiscal year, and (2) in the event that sufficient appropriations for any fiscal year are not available to increase any such stipend or allowance provided to the minimum hourly rate specified in this sentence, the Director shall increase the stipend or allowance to such amount as appropriations for such year permit consistent with clause (1) of this exception. In establishing the amount of, and the effective date for, such adjustment, the Director, in consultation with the State Commissions on National and Community Service (as established under section 178 of the National and Community Service Act of 1990) and the heads of the State offices established under section 195 of such Act, shall consider the effect such adjustment will have on the ability of non-federally funded volunteer programs similar to the programs under this title to maintain their current level of volunteer hours.】 *Any stipend or allowance provided under this part shall not exceed 75 percent of the minimum wage under the Fair Labor Standards Act of 1938 (29 U.S.C. 201 et seq.), with the Federal share not to exceed \$2.65 per hour, provided that the Director shall adjust the Federal share once prior to December 31, 2007, to account for inflation.*

(e) For purposes of this part, the terms “low-income person” and “person of low income” mean—

(1) any person whose income is not more than [125] 200 per centum of the poverty line defined in section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2)) and adjusted by the Director in the manner described in such section; and

\* \* \* \* \*

【(f)(1)(A) Except as provided in subparagraphs (B) and (C), individuals who are not low-income persons may serve as volunteers under this part, in accordance with such regulations as the Director shall issue, if such individuals serve without receiving any allowance, stipend, or other financial support under this part except reimbursement for transportation, meals, and out-of-pocket expenses incident to serving under this part.

【(B) The regulations issued by the Director to carry out this part (other than any regulations relating to allowances, stipends, and other financial support authorized by subsection (d) to be paid under this part to low-income persons) shall apply to all volunteers under this part, without regard to whether such volunteers are eligible to receive a stipend under subsection (d).

【(C) Individuals who are not low-income persons may not serve as volunteers under this part in any community in which there are volunteers serving under part A of this title unless such individuals have been referred previously for possible placement as volunteers under part A and such placement did not occur.

【(2)(A) Except as provided in subparagraph (B), each recipient of a grant or contract to carry out a project under this part shall give equal treatment to all volunteers who participate in such project,

without regard to whether such volunteers are eligible to receive a stipend under subsection (d).

[(B) An individual who is not a low-income person may not become a volunteer under this part if allowing such individual to become a volunteer under this part would prevent a low-income individual from becoming a volunteer under this part or would displace a low-income person from being such a volunteer.

[(3) The Director may not take into consideration or require as a condition of receiving a grant or contract to carry out a project under this part, any applicant for such grant or contract—

[(A) to accept or recruit individuals who are not low-income persons to serve as volunteers under this part; or

[(B) to solicit locally generated contributions, in cash or in kind, to support such individuals.

The Director may not coerce any applicant for, or recipient of, such grant or contract to engage in conduct described in subparagraph (A) or (B).

[(4) Funds appropriated to carry out this part may not be used to pay any cost, including any administrative cost, incurred in connection with volunteers under this part who do not receive a stipend under subsection (d). Such cost incurred with respect to a volunteer may be paid with—

[(A) funds received by the Director as unrestricted gifts;

[(B) funds received by the Director as gifts to pay such cost;

[(C) funds contributed by such volunteer; or

[(D) locally generated contributions in excess of the amount required to be contributed under subsection (a), in the discretion of the recipient of a grant or contract under such subsection.]

*(f)(1) Subject to the restrictions in paragraph (3), individuals who are not low-income persons may serve as volunteers under this part. The regulations issued by the Director to carry out this part (other than regulations relating to stipends or allowances to individuals authorized by subsections (d) and (h)) shall apply to all volunteers under this part, without regard to whether such volunteers are eligible to receive a stipend or allowance under subsection (d) or (h).*

*(2) Except as provided under paragraph (1), each recipient of a grant or contract to carry out a project under this part shall give equal treatment to all volunteers who participate in such project, without regard to whether such volunteers are eligible to receive a stipend or allowance under subsection (d) or (h).*

*(3) An individual who is not a low-income person may not become a volunteer under this part if allowing that individual to become a volunteer under this part would prevent a low-income person from becoming a volunteer under this part or would displace a low-income person from being a volunteer under this part.*

*(g) The Director may also provide a stipend or allowance in an amount not to exceed 10 percent more than the amount established under subsection (d) to leaders who, on the basis of past experience as volunteers, special skills, and demonstrated leadership abilities, may coordinate activities, including training, and otherwise support the service of volunteers under this part.*

*(h) The Director may provide payments under subsection (d) for up to 15 percent of volunteers serving in a project under this part for a fiscal year who do not meet the definition of "low-income"*

*under subsection (e), upon certification by the recipient of a grant or contract that it is unable to effectively recruit and place low-income volunteers in the number of placements approved for the project.*

## PART C—SENIOR COMPANION PROGRAM

### GRANTS AND CONTRACTS FOR VOLUNTEER SERVICE PROJECTS

SEC. 213. (a) The Director is authorized to make grants to or contracts with public and nonprofit private agencies and organizations to pay part or all of the cost of development and operation of projects (including direct payments to individuals serving under this part in the same manner as provided in section 211(a)) designed for the purpose of providing opportunities for **[low-income persons aged 60 or over]** *low-income and other persons aged 55 or over* to serve as “senior companions” to persons with exceptional needs. Senior companions may provide services designed to help older persons requiring long-term care, including services to persons receiving home health care, nursing care, home-delivered meals or other nutritional services; services designed to help persons deinstitutionalized from mental hospitals, nursing homes, and other institutions; and services designed to assist persons having developmental disabilities and other special needs for companionship.

(b) **[Subsections (d), (e), and (f)]** *Subsections (d) through (h)* of section 211, and such other provisions of part B as the Director determines to be necessary, shall apply to this part, except that for purposes of this part any reference in such subsections and such provisions to part B shall be deemed to be a reference to this part.

(c)(1) \* \* \*

(2)(A) \* \* \*

**[(B)]** Senior companion volunteer trainers recruited under subparagraph (A) of this paragraph shall not be paid stipends.

*(B) Senior companion volunteer trainers and leaders may receive a stipend or allowance consistent with subsection (g) authorized under subsection (d) of section 211, as approved by the Director.*

\* \* \* \* \*

## PART D—GENERAL PROVISIONS

\* \* \* \* \*

### MINORITY GROUP PARTICIPATION

SEC. 223. The Director shall take appropriate steps to insure that special efforts are made to recruit, select, and assign qualified individuals **[sixty years and older]** *55 years and older* from minority groups to serve as volunteers under this title.

### USE OF LOCALLY GENERATED CONTRIBUTIONS IN NATIONAL SENIOR **[VOLUNTEER] SERVICE CORPS**

SEC. 224. Whenever locally generated contributions made to National Senior Volunteer Corps projects under this title are in excess of the amount required by the Director, the Director may not restrict the manner in which contributions are expended if expendi-

tures from locally generated contributions are not inconsistent with the provisions of this Act.

#### PROGRAMS OF NATIONAL SIGNIFICANCE

SEC. 225. (a)(1) **【With not less than one-third of the funds made available】** *With funds made available* under subsection (d) in each fiscal year, the Director shall make grants under the programs authorized in parts A, B, and C to support programs that address national problems of local concern.

\* \* \* \* \*

(b) The Director shall make grants under subsection (a) to support one or more of the following programs to address problems that concern the Nation:

(1) \* \* \*

\* \* \* \* \*

(19) *Programs that strengthen community efforts in support of homeland security.*

\* \* \* \* \*

#### SEC. 228. PARTICIPATION REGARDLESS OF INCOME LEVEL.

(a) *GENERAL.—Participation in programs and activities under this title shall be open to seniors regardless of income level.*

(b) *PARTICIPATION OF LOW-INCOME INDIVIDUALS ENCOURAGED.—Notwithstanding subsection (a), the Corporation shall take appropriate steps, including conducting outreach at the national level and requiring measures at the local level, to ensure the inclusion of low-income persons in programs and activities authorized under this title.*

#### SEC. 229. CONTINUITY OF SERVICE.

*To ensure the continued service of individuals in communities served by Retired and Senior Volunteer programs, Foster Grandparent programs, and Senior Companion programs prior to enactment of this section, in making grants under this title the Corporation shall take actions it considers necessary to maintain service assignments for such seniors and to ensure continuity of service for communities.*

#### SEC. 229A. TRAINING AND RESEARCH.

*From funds appropriated each fiscal year to carry out subtitle II, the Corporation may reserve up to \$10,000,000 to support research and training designed to improve the effectiveness of programs supported under subtitle II.*

\* \* \* \* \*

### TITLE IV—ADMINISTRATION AND COORDINATION

\* \* \* \* \*

#### SPECIAL LIMITATIONS

SEC. 404. (a) The Director shall prescribe regulations and shall carry out the provisions of this Act so as to assure that the service of volunteers assigned, referred, or serving pursuant to grants, contracts, or agreements made under this Act is limited to activities which would not otherwise be performed by employed workers and

which will not supplant the hiring of or result in the [displacement of employed workers] *displacement of employed workers or volunteers (other than participants under the national service laws)*, or impair existing contracts for service.

\* \* \* \* \*

[NOTICE AND HEARING PROCEDURES FOR SUSPENSION AND  
TERMINATION OF FINANCIAL ASSISTANCE]

[SEC. 412. (a) The Director is authorized, in accordance with the provisions of this section, to suspend further payments or to terminate payments under any contract or grant providing assistance under this Act, whenever the Director determines there is a material failure to comply with the applicable terms and conditions of any such grant or contract. The Director shall prescribe procedures to insure that—

[(1) assistance under this Act shall not be suspended for failure to comply with applicable terms and conditions, except in emergency situations for thirty days;

[(2) an application for refunding under this Act may not be denied unless the recipient has been given (A) notice at least 75 days before the denial of such application of the possibility of such denial and the grounds for any such denial, and (B) opportunity to show cause why such action should not be taken;

[(3) in any case where an application for refunding is denied for failure to comply with the terms and conditions of the grant or contract award, the recipient shall be afforded an opportunity for an informal hearing before an impartial hearing officer, who has been agreed to by the recipient and the Agency; and

[(4) assistance under this Act shall not be terminated for failure to comply with applicable terms and conditions unless the recipient has been afforded reasonable notice and opportunity for a full and fair hearing.

[(b) In order to assure equal access to all recipients, such hearings or other meetings as may be necessary to fulfill the requirements of this section shall be held at locations convenient to the recipient agency.]

\* \* \* \* \*

[EVALUATION]

[SEC. 416. (a) The Director shall measure and evaluate the impact of all programs authorized by this Act (including the VISTA Literacy Corps which shall be evaluated as a separate program at least once every 3 years), their effectiveness in achieving stated goals in general, and in relation to their cost, their impact on related programs, and their structure and mechanisms for delivery of services. Each program shall be evaluated at least once every three years. Evaluations shall be conducted by persons not immediately involved in the administration of the program or project evaluated. Such evaluation shall also measure and evaluate compliance with the equitable distribution requirement of section 414 of this Act.

[(b) The Director shall develop and publish general standards for evaluation of program and project effectiveness in achieving the objectives of this Act. Reports submitted pursuant to section 407 shall

describe the actions taken as a result of evaluations carried out under this section.

[(c) In carrying out evaluations under this title, the Director shall whenever possible, arrange to obtain the opinions of program and project participants about the strengths and weaknesses of such programs and projects.

[(d) The Director shall publish summaries of the results of evaluations of program and project impact and effectiveness no later than sixty days after the completion thereof.

[(e) The Director shall take the necessary action to assure that all studies, evaluations, proposals, and data produced or developed with Federal funds shall become the property of the United States.

[(f) Not later than December 31, 1988, the Director shall—

[(1) evaluate the impact of Corporation programs carried out under title II that relate to services that assist families caring for frail and disabled adult family members and shall include in such evaluation information on—

[(A) the range and extent of service needs of, and the services provided to, family caregivers assisted by volunteers;

[(B) the characteristics of volunteers and the skills, training, and supervision necessary to provide various types of volunteer assistance to family caregivers;

[(C) administrative costs, including recruitment, training, and supervision costs, associated with volunteer assistance to family caregivers; and

[(D) such other issues as may be relevant to provide services to assist family caregivers;

[(2) evaluate the impact that volunteers who participate in programs under parts B and C of title II without receiving a stipend have on such programs and shall include in such evaluation—

[(A) information on administrative costs associated with such volunteers;

[(B) a comparison of the quality of services provided by such volunteers and the quality of services provided by volunteers who receive a stipend under such parts, including the rate of absenteeism and turnover; and

[(C) a review of the effect that participation by volunteers who do not receive such stipend have on the administration of such programs; and

[(3) submit to the Committee on Education and Labor of the House of Representatives and the Committee on Labor and Human Resources of the Senate a report summarizing in detail the results of the evaluations made under paragraphs (1) and (2).

[(g) The Director is authorized to use such sums as are required, but not to exceed 1 per centum of the funds appropriated under this Act, to conduct program and project evaluations (directly, or by grants or contracts) as required by this Act. In the case of allotments from such an appropriation, the amount available for such allotments (and the amount deemed appropriate therefor) shall be reduced accordingly.]

\* \* \* \* \*

## DEFINITIONS

SEC. 421. For the purposes of this Act—

(1) \* \* \*

\* \* \* \* \*

(13) the term “national senior volunteer” means a volunteer in the **【National Senior Volunteer Corps】** *National Senior Service Corps*;

(14) the term “**【National Senior Volunteer Corps】** *National Senior Service Corps*” means the programs established under **【parts A, B, C, and E of】** title II;

\* \* \* \* \*

**SEC. 425. PROTECTION AGAINST IMPROPER USE.**

Whoever falsely—

(1) advertises or represents; or

(2) publishes or displays any sign, symbol, or advertisement, reasonably calculated to convey the impression, that an entity is affiliated with, funded by, or operating under the authority of the Corporation, VISTA, or any of the programs of the **【National Senior Volunteer Corps】** *National Senior Service Corps* may be enjoined under an action filed by the Attorney General, on a complaint by the Director.

**SEC. 426. INCOME VERIFICATION.**

*Each organization that receives assistance under this Act may verify the income eligibility of volunteers based on a confidential declaration of income and with no requirements for verification.*

**TITLE V—AUTHORIZATION OF APPROPRIATIONS**

**SEC. 501. NATIONAL VOLUNTEER ANTIPOVERTY PROGRAMS.**

(a) AUTHORIZATIONS.—

(1) VOLUNTEERS IN SERVICE TO AMERICA.—There are authorized to be appropriated to carry out parts A and B of title I~~],~~ excluding section 109, \$56,000,000 for fiscal year 1994, and such sums as may be necessary for each of the fiscal years 1995 and 1996.~~】 \$90,000,000 for fiscal year 2003 and such sums as may be necessary for each of the fiscal years 2004 through 2007.~~

~~【(2) LITERACY ACTIVITIES.—There are authorized to be appropriated to carry out section 109, \$5,600,000 for fiscal year 1994, and such sums as may be necessary for each of the fiscal years 1995 and 1996.】~~

~~【(3) (2) SPECIAL VOLUNTEER PROGRAMS.—There are authorized to be appropriated to carry out part C of title I~~],~~ excluding section 125, such sums as may be necessary for each of the fiscal years 1994 through 1996.~~】 \$5,000,000 for fiscal year 2003 and such sums as may be necessary for each of the fiscal years 2004 through 2007.~~~~

~~【(4) LITERACY CHALLENGE GRANTS.—There are authorized to be appropriated to carry out section 125, such sums as may be necessary for each of the fiscal years 1994 through 1996.】~~

~~【(5) (3) SPECIFICATION OF BUDGET FUNCTION.—The authorizations of appropriations contained in this subsection shall be considered to be a component of budget function 500 as used~~



by the Office of Management and Budget to cover education, training, employment, and social services, and, as such, shall be considered to be related to the programs of the Departments of Labor, Health and Human Services, and Education for budgetary purposes.

\* \* \* \* \*

**[(e) VOLUNTEER SERVICE REQUIREMENT.—**

**[(1) VOLUNTEER SERVICE YEARS.—**Of the amounts appropriated under this section for parts A, B, and C of title I, including section 124, there shall first be available for part A of title I, including sections 104(e) and 109, an amount not less than the amount necessary to provide 3,700 volunteer service years in fiscal year 1994, 4,000 volunteer service years in fiscal year 1995, and 4,500 volunteer service years in fiscal year 1996.

**[(2) PLAN.—**If the Director determines that funds appropriated to carry out part A, B, or C of title I are insufficient to provide for the years of volunteer service required by paragraph (1), the Director shall submit a plan to the relevant authorizing and appropriations committees of Congress that will detail what is necessary to fully meet this requirement.】

**[SEC. 502. NATIONAL SENIOR VOLUNTEER CORPS.**

**[(a) RETIRED AND SENIOR VOLUNTEER PROGRAM.—**There are authorized to be appropriated to carry out part A of title II, \$45,000,000 for fiscal year 1994, and such sums as may be necessary for each of the fiscal years 1995 and 1996.

**[(b) FOSTER GRANDPARENT PROGRAM.—**There are authorized to be appropriated to carry out part B of title II, \$85,000,000 for fiscal year 1994, and such sums as may be necessary for each of the fiscal years 1995 and 1996.

**[(c) SENIOR COMPANION PROGRAM.—**There are authorized to be appropriated to carry out part C of title II, \$40,000,000 for fiscal year 1994, and such sums as may be necessary for each of the fiscal years 1995 and 1996.

**[(d) DEMONSTRATION PROGRAMS.—**There are authorized to be appropriated to carry out part E of title II, such sums as may be necessary for each of the fiscal years 1994 through 1996.

**[SEC. 504. ADMINISTRATION AND COORDINATION.**

**[(a) IN GENERAL.—**For each of the fiscal years 1994 through 1996, there are authorized to be appropriated for the administration of this Act as provided for in title IV, 18 percent of the total amount appropriated under sections 501 and 502 with respect to such year.

**[(b) EVALUATION.—**For each of the fiscal years 1994 through 1996, the Director is authorized to expend not less than 2½ percent, and not more than 5 percent, of the amount appropriated under subsection (a), for the purposes prescribed in section 416.】

**SEC. 502. NATIONAL SENIOR SERVICE CORPS.**

*(a) RETIRED AND SENIOR VOLUNTEER PROGRAM.—There are authorized to be appropriated to carry out part A of title II, \$58,884,000 for fiscal year 2003 and such sums as may be necessary for each of the fiscal years 2004 and 2007.*

(b) *FOSTER GRANDPARENT PROGRAM.*—There are authorized to be appropriated to carry out part B of title II, \$110,000,000 for fiscal year 2003 and such sums as may be necessary for each of the fiscal years 2004 and 2007.

(c) *SENIOR COMPANION PROGRAM.*—There are authorized to be appropriated to carry out part C of title II, \$46,563,000 for fiscal year 2003 and such sums as may be necessary for each of the fiscal years 2004 and 2007.

(d) *DEMONSTRATION PROGRAMS.*—There are authorized to be appropriated to carry out part E of title II, \$400,000 for fiscal year 2003 and such sums as may be necessary for each of the fiscal years 2004 through 2007.

**SEC. 504. ADMINISTRATION AND COORDINATION.**

There are authorized to be appropriated for the administration of this Act \$33,568,000 for fiscal year 2003 and such sums as may be necessary for each of fiscal years 2004 through 2007.

\* \* \* \* \*

## ADDITIONAL VIEWS

The events of September 11th catalyzed millions of Americans' interest in serving their communities and their country. National nonprofits are seeing a surge in volunteerism and AmeriCorps applications have more than doubled. We endorse President George W. Bush's call for legislation "to ensure the Federal Government does its part to support the commitment of Americans to our communities and our Nation."

President Bush proposed a \$290 million increase for national and community service programs, including a expansion of the AmeriCorps program. President William J. Clinton championed the establishment of AmeriCorps in the National and Community Service Trust Act of 1993, which he signed into law on September 21, 1993. This legislation helped provide Americans of all ages and backgrounds with opportunities to service their nation. Now, more than 2 million Americans serve their communities each year through these programs.

We applaud the majority for joining us in supporting legislation to reauthorize AmeriCorps and expand service opportunities to all Americans, whether they are schoolchildren, young adults, or seniors. We are optimistic that this bipartisan agreement will extend to obtaining the President's goals on funding for these programs.

### *Resources for 100,000 new volunteers*

We are disappointed that the authorization levels in the Citizen Service Act of 2002, as passed by the Committee, fall short of the funding levels in President Bush's Fiscal Year 2003 budget request. The President's requested funding is necessary to achieve his goal of 25,000 new AmeriCorps members next year and leverage an additional 75,000 volunteers.

The Administration's Principles for Reform of the Corporation for National Service states, "The Administration calls on the Congress to authorize a \$290 million increase from last year's budget—the full funding requested in the President's Fiscal Year 2003 budget—support these initiatives.

However, we appreciate Chairman John Boehner's pledge to work with us to obtain these increases in conference. We look forward to working with him to meet this goal.

### *Education awards*

To create greater educational opportunity for our youth who serve our country, AmeriCorps helps its members pay for college or repay their student loans. We are pleased that H.R. 4854 increases the Education Award by 11 percent—the first increase in the history of the AmeriCorps program—to \$5,250. Even this increase, however, fails to restore the value of the Education Award to its inflation-adjusted 1993 level.

Congress should go further and repeal the tax on this Education Award, although we recognize that this change is outside the jurisdiction of this Committee. We believe that the final legislation should either repeal this tax or provide for an additional increase in the Education Award.

*Bipartisan improvements to H.R. 4854*

The Subcommittee on Select Education adopted a bipartisan amendment offered by Mr. Roemer to preserve the VISTA program. VISTA is a critical partner for thousands of grass-roots community organizations fighting poverty in the trenches. The Administration's proposal would have germinated the federal government's administration of VISTA. The Roemer amendment maintains federal help for local VISTA programs with providing living allowances, health insurance, child care, and other services to VISTA members.

H.R. 4854 also rejects the Administration's proposal to overhaul and weaken the national service laws' grievance protections for members and displacement protections for workers who may be replaced by members. It sets a feasible cap on per-participant expenses of \$16,000, with adjustments for inflation and waivers up to \$20,000. And it concludes safeguards on the Administration's requests for greater flexibility to allow members to choose their own sites of service and to promote project sustainability.

*Civil rights protections*

We are also pleased that H.R. 4854 maintains the national service laws' protections against discrimination in hiring with federal funds. However, we disagree with the characterization of the legislative history of this provision in the Committee Views.

We disagree with the majority's characterization of the civil rights and religious liberty protections contained in the statute. By maintaining current law in Section 175 of the National Community Service Act and Section 417 of the Domestic Volunteer Service Act, the Committee is abiding by the Constitution with regard to funding of faith-based organizations and affirms a core civil rights principle that government funds, collected from all taxpayers, should not be used to support discrimination. In addition, it is important to note that these very provisions have not hampered the participation of faith-based organizations in many national service programs.

Indeed, many view these provisions as a model for the participation of faith-based organizations in government programs. In January 2002, the Working Group on Human Needs and Faith-Based and Community Initiatives issued 29 recommendations for the faith-based initiative (Finding Common Ground: 29 Recommendations of the Working Group on Human Needs and Faith-Based and Community Initiatives). The Working Group was convened to bring together various representatives interested in the role of the faith-based organizations in the provision of community and social services. National service efforts were addressed in recommendation 11 of the report, in which the Working Group wrote:

Congress and the Executive Branch should expand opportunities for service in VISTA and other AmeriCorps programs, as currently practiced, in order to supplement

the staff and significantly increase the capacity of faith-based and community-based organizations to meet human needs, when government funding goes to the support of the national service participants. \* \* \*

VISTA's 35-year record of service with faith-based and community organizations has enjoyed broad acceptance, and has not been challenged on constitutional or legal grounds. The Corporation for National and Community Service in its new AmeriCorps programs is continuing that tradition. Any individual may apply to serve through these programs, and religious beliefs or practices may not be considered in the selection or placement of the volunteers. While serving, they may not be assigned to participate in worship, religious instruction, or proselytization. Any non-profit organization working to meet national needs within the Corporation's priorities may apply to participate. By design, the programs provide little or no cash grants for administrative costs. Some organizations receive modest administrative grants for partial support of staff positions; our agreement does not extend to such grants.

Many, though not all, faith-based organizations have found that they can fulfill their mission consistent with these policies, utilizing VISTA volunteers and AmeriCorps members to significantly expand their work to address human needs.

The majority argues that the employment discrimination protections that exist in current law "predate more recent Acts designed to invite faith-based organizations into federal social service efforts." Quoting the Congressional Research Service, it writes,

These more recent Acts recognize that "[i]n its more recent decisions[,] the [Supreme] Court appears to have abandoned the presumption that some religious institutions \* \* \* are so pervasively sectarian that they are constitutionally ineligible to participate in direct public aid programs" (brackets in the original).

Charitable choice, the legislative provision at issue, has been used to expand the role of faith-based organizations in various federally funded activities. What the majority fails to note is that until this Congress, charitable choice received little scrutiny even though, according to the Congressional Research Service report cited by the majority, "[it] appears to push the envelope of existing judicial interpretations of the establishment clause of the First Amendment concerning direct public funding of religious organizations, even as revised by the Supreme Court's recent decisions on the subject." (See *Charitable Choice: Constitutional Issues and Developments Through the 106th Congress* (December 27, 2000) at 34.)

The Committee's views regarding the impact of the Religious Freedom Restoration Act (42 U.S.C. 2000bb et seq.) (RFRA) to the underlying statute are flatly wrong and easily contradicted by a long line of Supreme Court case law regarding what constitutes a "substantial burden" in free exercise cases. The threshold showing required for application of RFRA to a federal statute is that the

government may not “substantially burden a person’s exercise of religion.” However, the Supreme Court has been clear that, in the context of free exercise, requirements attached to a government benefit cannot constitute a “substantial burden” on religion. The Court has consistently held that government action that has the effect of making religious exercise more expensive, or that fails to facilitate the exercise of religion, does not impose a “substantial burden.” This is because the Free Exercise clause is written in terms of what the government cannot do to the individual, not in terms of what the individual can exact from the government. See *Lynng v. Northwest Indian Cemetery Protective Ass’n*, 485 U.S. 439, 451 (1988); See also *Braunfeld v. Brown*, 366 U.S. 599 (1961); *Brusca v. Missouri ex rel. State Board of Education*, 332 F. Supp. 275 (E.D. Mo. 1971), aff’d, 405 U.S. 1050 (1972); *Lutkemeyer v. Kaufmann*, 364 F. Supp. 376 (W.D. Mo. 1973), aff’d, 419 U.S. 888 (1974).

Additionally, even if the threshold “substantial burden” test were overcome, a plaintiff would have to advance the unfortunate argument that preventing discrimination is not a compelling state interest. In *City of Richmond v. J.A. Croson Co.*, 488 U.S. 469 (1989), the Court ruled that “it is beyond dispute that any public entity, state or federal, has a compelling interest in assuring that public dollars, drawn from the tax contributions of all citizens, do not serve to finance the evil of private prejudice.”

We strongly support the right of religious institutions to preserve the integrity of their own religious character when it comes to religious activities. We disagree that it is healthy for American society, or in conformance with basic American principles of fairness and equal treatment under the law, for the Federal Government to provide funds for secular purposes to any organization, which would then use these funds in a discriminatory fashion on religious grounds. In fact, in a poll conducted in 2001 by the Pew Research Center and the Pew Forum on Religion and Public Life on President Bush’s faith-based initiative, 78 percent of those polled shared this view.

The national service laws are a model demonstrating that a prohibition on religious employment discrimination is fully compatible with federal assistance to faith-based charities. Faith-based charities have taken advantage of these federally funded programs to advance their charitable work in a manner, which the President finds worthy of expansion. We have heard no suggestion that the faith-based charities involved with AmeriCorps and the Senior Corps have seen their own faith communities erode.

We are pleased that this reauthorization of the national service programs does not roll back civil rights protections that have been a part of this statute for over a decade. We firmly believe that the provisions in this statute allow for substantial participation by faith-based communities without undermining basic constitutional and civil rights principles.

GEORGE MILLER.  
RUSH HOLT.  
RUBEN HINOJOSA.  
DAVID WU.  
BOBBY SCOTT.  
HILDA L. SOLIS.

MAJOR R. OWENS.  
LYNN WOOLSEY.  
CAROLYN MCCARTHY.  
LYNN N. RIVERS.  
BETTY MCCOLLUM.  
DENNIS J. KUCINICH.  
LORETTA SANCHEZ.  
DALE E. KILDEE.  
ROBERT E. ANDREWS.  
RON KIND.  
SUSAN DAVIS.  
TIM ROEMER.  
DONALD M. PAYNE.  
HAROLD FORD.  
PATSY T. MINK.  
JOHN F. TIERNEY.

